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# ***Daily Report***

## **East Asia**

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# Daily Report

## East Asia

FBIS-EAS-96-080

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**NOTICE:** An \* indicates material not disseminated in electronic form.

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**Pepsi Pullout From Burma, Harvard, Stanford Criticized**

BK2404080596 Bangkok ASIA TIMES in English  
24 Apr 96 p 8

[Editorial: "Fast food intellectuals"]

[FBIS Transcribed Text] So, Harvard won't drink Pepsi and Stanford won't eat tacos from PepsiCo subsidiary Taco Bell, or so it is reported. Until kingdom - or at any rate Aung San Suu Kyi - come, we assume, or PepsiCo truly pulls out of Myanmar [Burma] (where's that? Burma?), whichever may come first.

Well, our congratulations for your high-mindedness and profound sympathies for your great sacrifices to youz gals and guys, America's finest and politically most correctest. Awesome.

But really, are your courses and life on campus so boring and shallow that you can't find anything better to do than get involved in the sorriest, most tiresome American excuse for intellectual pursuit of trivializing every issue and then throwing it back at a benighted world as moralizing sermon?

Well here's some food for thought and grist for your mills.

PepsiCo's decision, albeit reluctantly made, to appease these "fast food intellectuals" makes matters worse. Only weeks ago, a PepsiCo spokeswoman cleverly remarked, "It is pretty arrogant of any company to decide to make its own foreign policy."

How quickly fashions change in the United States. It is easy to see why Pepsi is finding it easy to ride the "antiBurma" wave: Last year, Myanmar accounted for just US\$8 million, or less than half of one percent, of the company's US\$30.4 billion in global profits. The loss of a new generation of American Ivy Leaguers for such a relative pittance cannot be welcomed.

On the other hand, after finding in Myanmar the joint-venture equivalent of the "real thing", PepsiCo won't just walk away. The company will keep Pepsi's brand name alive in Myanmar through the miracle of franchising.

Perhaps it's a clever move on the part of Pepsi, but young US activists might find this ploy a bit hard to swallow.

US companies have accounted for 30 percent of all foreign direct investment into Myanmar so far, but commitments indicate they will begin to play a less important role, while money will continue to flow in from Asia and Europe. Even if PepsiCo becomes a US

corporate trendsetter, it is doubtful the impact will be great.

Either way, it's the tone of the affair that leaves a bad taste in our mouths.

**ROK Ambassador Views Possibility of Quadrilateral Talks**

OW2404054996 Tokyo MAINICHI SHIMBUN  
in Japanese 23 Apr 96 Morning Edition p 7

["Exclusive" interview with Kim Tae-chi, ROK ambassador to Japan, by Takashi Kawachi, MAINICHI SHIMBUN deputy chief editor and international news editor, on 22 April; place not given]

[FBIS Translated Text] The following is a summary of MAINICHI SHIMBUN's interview with ROK Ambassador to Japan Kim Tae-chi:

[Kawachi] The other day, a new initiative calling for a quadrilateral meeting by the ROK, the DPRK, plus the United States and China, was proposed at the meeting between the leaders of the United States and South Korea. What do you think is the background of this? How about its prospects?

[Kim] Instability in the domestic situation in the North (North Korea) is not good for the peace and stability of the Korean peninsula. This proposal is meant to encourage the North to take a reasonable attitude, have dialogue with the outside world, and bring about peace on the Korean peninsula through these contacts.

The North refuses to have contact with the ROK. It wants to replace the armistice agreement for the Korean War with a peace agreement, and limit its dialogue partner to the United States. South Korea's basic position is that the proper thing to do is for North and South Korea to play the leading role in questions having to do with peace on the Korean peninsula. Any efforts to build a new peace will be meaningless without the participation of the ROK. I think all countries of the world agree that this is the logical thing to do.

[Kawachi] Do you think North Korea will eventually agree to the quadrilateral talks?

[Kim] The North's spokesman gave a statement saying this is being studied. This probably means he will respond after studying our idea. Since it has become clear to the North that the United States does not agree with the North's position of having one-on-one discussions, it may come up with an approach different to its previous position of dealing only with the United States.

[Kawachi] What do you think of the prospects for holding a Japan-ROK summit?

[Kim] Last year, which marked the 50th year of liberation (end of World War II), although there were conflicts in ROK-Japan relations, the bilateral relationship grew both in scope and in depth. We have come to have a close relationship which does not allow us to ignore negative conditions on the other side. Personally, I am optimistic about the future.

Under these circumstances, President Kim Yong-sam told Prime Minister Ryutaro Hashimoto during the Asia-Europe Meeting last March, "If you have time, please come and visit." We have a relationship of mutual cooperation, so it will not be surprising at all for a summit to take place.

[Kawachi] What are the implications of the results of the recent ROK general elections?

[Kim] Although the ruling party, the New Korean Party, did not win an absolute majority of seats, it performed surprisingly well. This means that the people support its policies. With the people's trust behind him, President Kim will be able to deal with the North with more confidence than ever. He will also have more diplomatic leeway to strengthen friendship and cooperation with Japan.

#### **Donors Reaffirm Commitment to Mekong Regional Development**

BK2204064496 Bangkok BANGKOK POST  
in English 22 Apr 96 p 8

[Unattributed Report]

[FBIS Transcribed Text] Major donors to the four Mekong riparian countries yesterday reaffirmed their commitment to the region's development, but stressed due attention must be given to the environment and local communities.

Some donors also backed the idea of a definite timetable for donor phase out of the Mekong River Commission and establishing a system of collecting contributions from riparian countries.

Donor representatives were speaking at the inaugural session of the Donors' Consultative Group yesterday.

The group was formed early this year by the Mekong Council to foster mutual understanding and consensus among donors on policies, priorities and strategies, for the long and short-term development of the basin development.

It also aimed to mobilise support and ensure coordination.

The meeting, which was not intended to be "a pledging session" was held immediately after a four-day workshop on basin development.

The workshop had been organised by the Mekong River Commission and the United Nations Development Programme.

The four riparian countries are Laos, Thailand, Cambodia and Vietnam.

David Brook of the New Zealand Embassy in Bangkok told the meeting his government would consider contributing to a Mekong region development trust fund, if there was a definite phase out timetable for donors and riparian countries make systematic contributions.

Michel Caillouet of the European Commission said the Mekong River Commission was a political as well as research forum.

#### **Editorial Urges G-7 Nations To Opt for Economic Growth**

OW2404104496 Tokyo NIHON KEIZAI SHIMBUN  
in Japanese 23 Apr 96 Morning Edition p 2

[Editorial: "Each G-7 Nation Must Fulfill Its Own Role To Boost Growth"]

[FBIS Translated Text] At their Washington meeting, finance ministers and central bankers from the seven major industrialized nations (G-7) agreed to carry out appropriate economic recovery measures to spur economic growth. Behind their agreement, however, friction among Japan, the United States, and Europe was conspicuous. The United States differed with Japan and Europe over financial management policy — the most important issue at the meeting. Other differences also surfaced between Europe and the United States over the foreign exchange policy. Depending on the direction of the global economy, a crack in the G-7 might be further widened.

U.S. Treasury Secretary Robert Rubin, speaking as chairman of the meeting, said that "the G-7's underlying fundamentals are promising."

However, the real situation is not described in such optimistic terms. The German economy has rapidly been deteriorating and an unemployment problem has become serious. Although Japan's economy is on the upswing, the nation faces structural problems such as liquidation of bad loans and unemployment. The United States, who has been in the expansion phase for the last six years, is now experiencing slack in its economic growth.

In this context, it is a matter of course that the G-7 nations agree to maintain economic growth. They

diffided over the method. Rubin asked Japan and European nations to bolster their economic growth so that the United States could expand its exports.

On the other hand, Germany and other European nations, who are preparing for the unification of their currency, will need to further reduce their deficits. Prior to the G-7 meeting, the German federal bank, concerned about the nation's tight financial situation, cut the interest rate to preempt U.S. requests.

Rubin said to Japan that "it is important to formulate financial monetary policies to boost economic growth." He asked Japan to ease its monetary market and continue exercising financial stimulus measures. In reply, Wataru Kubo, deputy prime minister and concurrently financial minister, explained that "financial reconstruction is the nation's imperative too."

In the end, both compromised by allowing Japan to work with financial reconstruction as a task to be completed in a medium-term period to spur economic growth. Still, a gap remains between the two countries.

In regard to the exchange rate, all G-7 countries agreed to "welcome the rise of the U.S. dollar." However, the United States and European countries differed over some points. While Germany and France want a further rise in the dollar to increase their export competitiveness, the United States is satisfied with the exchange rate's current level. A further increase in the dollar's value may provoke strong reaction from its auto industry and the United States does not want that.

The G-7 has an obligation to overcome these differences and to cooperate for the sake of global economy. To prevent a crack from widening in the G-7, each country must fulfill its own role to boost economic growth.

The United States should aim to cut its deficits and put brakes on the nation's trend of excessive consumption. Germany must create more employment opportunities by reducing a number of regulations that excessively exist in its labor market. And Japan is urged to not only formulate a macroeconomic policy but also to promote structural reform such as deregulation.



## Japan

### Japan: Survey Shows Almost 70 Percent Support Base Accord With U.S.

OW2404015996 Tokyo KYODO in English  
0146 GMT 24 Apr 96

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Almost 70 percent of Japanese survey respondents expressed satisfaction with the recent Japan-U.S. accord on the return of a key airfield and some other military facilities in Okinawa, a newspaper survey showed Wednesday [24 April].

The nationwide survey of 3,000 people, conducted Saturday and Sunday by the YOMIURI SHIMBUN, indicated that 69.1 percent of the respondents were highly or relatively satisfied with the agreement while 22.8 percent said they were not.

Concerning the relocation of certain military facilities from Okinawa Prefecture to some other location in Japan, 49.4 percent said it was unavoidable and 5.3 percent said it was reasonable, while 36 percent disapproved.

Asked about the Japan-U.S. accord to review the guidelines on defense cooperation in the event of an emergency in the Far East, 49.2 percent said they were satisfied, while 38.1 percent said they were not.

Regarding the current Japan-U.S. Security Treaty, 62 percent said it is useful, while 14.5 percent said it is not.

In addition, 63.6 percent of the respondents expressed concern over the situation on the Korean peninsula and over the relationship between China and Taiwan.

### Japan: Sobe Landowner Submits 'Preparatory Documents' to Court

OW2404055096 Tokyo KYODO in English  
0540 GMT 24 Apr 96

[FBIS Transcribed Text] Naha, Japan, April 24 KYODO — An Okinawa owner of land within a U.S. military facility in southwestern Japan submitted preparatory documents to a local court Wednesday [24 April] demanding access to his land, while temporarily dropping another demand for its return.

Shoichi Chibana, a 47-year-old local grocer, filed the documents with the Naha District Court asking to enter his plot two times with a group of 30 or less. His 236-square-meter plot of land is located within the Sobe Military Communications Facility.

Chibana also said that he is prepared to make a compromise by limiting the items he will bring if

granted access, so as not to cause any trouble at the U.S. facility.

Chibana has filed a lawsuit with the district court demanding access and the return of the land after the lease on the plot expired at the end of last month.

In a third hearing slated for Wednesday afternoon, the government is likely to allow Chibana, his family members and others concerned to have access to the land. The court is expected to conclude the case with an out-of-court settlement, court sources said.

With the documents, Chibana pointed out that local police in charge of security and residents could freely enter the facility before late March, prior to the construction of a fence around the site.

The documents said that underground lines at the facility do not pose a safety hazard, arguing against the government, which insisted the lines would in some way be influenced by entrance to the area.

### Japan: Kadena Leaders Petition DFAA on Futenma Aircraft Relocation

OW2404055196 Naha RYUKYU SHIMPO  
in Japanese 23 Apr 96 Evening Edition p 9

[FBIS Translated Text] Tokyo — The Kadena town petition group, led by Mayor Tokujitsu Miyagi and Chairman Eiji Miyahira of the town assembly, visited the Defense Facilities Administration Agency [DFAA] and met Director General Masuo Morodomi on the morning of 23 April. They handed him a resolution opposing the relocation of the helicopter units at Marine Corps Air Station Futenma to Kadena Airbase passed by the town people's mass meeting on 20 April. They also sought more information on the relocation plan.

In response, Morodomi said: "The return of the Futenma base was a decision made at the top. Details of the plan will have to be decided before the Japan-U.S. Special Action Committee on Okinawa [SACO] reaches a final conclusion in November. I will keep the local government informed as much as possible. In any case, we will work hard to avoid imposing burdens on the town's people."

After the meeting, Miyagi said: "As a citizen of Okinawa, I welcome the return of Futenma. However, the relocation of Futenma's functions to Kadena Airbase is absolutely unacceptable. We will continue to work on the national government to make sure that our demands and wishes are reflected in the work of SACO."

Similarly, Miyahira said: "The relocation of the helicopter units will contribute to the permanent presence and reinforcement of Kadena Airbase. We are absolutely

opposed to this." He indicated that the town assembly will continue to protest strongly against the relocation of helicopters.

**Japan: MOFA Councillor Tanaka Denies Helicopter Unit Transfer**

OW2404061696 Tokyo NIHON KEIZAI SHIMBUN  
in Japanese 23 Apr 96 Evening Edition p 2

[FBIS Translated Text] Councillor Tanaka of the North American Affairs Bureau under the Ministry of Foreign Affairs [MOFA] met with Tokujitsu Miyagi, head of Kadena Town, and others at the MOFA office on 22 April. Touching on the question as to whether the U.S. Marine Corps helicopter unit of Futenma Marine Corps Air Station will be relocated, Tanaka said: "Since Kadena Airbase is already fully occupied, it is physically impossible to have the helicopter unit transferred there." Thus, he informed the visitors that the unit would not be transferred to Kadena Airbase.

**Japan: Ikeda on Far East Emergency Study Coverage**

OW2404062796 Tokyo ASAHI SHIMBUN  
in Japanese 23 Apr 96 Morning Edition p 2

[FBIS Translated Text] At the plenary session of the House of Councillors on 22 April, Foreign Minister Yukihiko Ikeda discussed the coverage of the study to be made on an emergency situation in the Far East, which is stipulated in the Japan-U.S. joint declaration on security. He said: "I understand this to mean the geographical area where Japan's defense efforts, together with the Japan-U.S. security alliance, can have a stabilizing effect. The geographical delineation can change from time to time according to the international situation."

This was the first indication that there will be a departure from the government's official position on the "delineation of the Far East" in the bilateral security treaty, and that the emergency study between the Japanese and U.S. Governments will take a flexible approach depending on the international environment.

The joint declaration calls for reviewing the "Japan-U.S. Defense Cooperation Guidelines," and commencing "a study on cooperation between Japan and the United States to deal with situations in the area around Japan which may significantly affect Japan's peace and security."

With regard to the definition of "the area around Japan" here, Ikeda replied that this concept is identical with "the area around Japan" as stated in the new National Defense Program Outline approved last November. He added: "This area may change depending on the

international environment, and it is not something that allows the drawing of a clear boundary."

**Japan: Think Tank Calls U.S. Military Aid 'Myth'**

OW2404101996 Tokyo JISEDAI NO RIKUJO HEITAI  
in Japanese 18 Feb 96 pp 1-6

["Excerpt" from book, "Next-Generation Ground Self-Defense Force: Fighting Future Wars," edited by Morino Military Research Institute and published by Kaya Shobo; preface written by Institute Director Yasuhiro Morino]

**[FBIS Translated Text] Preface**

**Escaping From Two Myths**

Although 50 years have passed since the war's end, two myths continue to survive in our nation concerning "national defense." The first is the belief that if Japan encounters a situation threatening its nation's security, a national crisis could be avoided if Japan only displayed its "Peace Constitution talisman." The other is that in such an event "the U.S. military will come to the timely aid" of Japan without fail. Speaking of myths, one other comes to mind. Before and during the war there was the myth that when Japan was threatened, "there would appear a divine wind [kamikaze] like the one that smashed the Mongol [invasions of 1274 and 1281]."

The existence of critical faculties regarding general decisions on national policy is necessary. The reason is that only once after we have such a checking mechanism will it be possible to achieve a balanced national policy. Until the time it became a ruling party, the Social Democratic Party of Japan [SDPJ] played a checking role by incessantly displaying this "Peace Constitution talisman" in debates on national defense. However, now that the SDPJ has been assigned to steer the ship of state through the whirlpool of international politics as they really are, we hope that the party will coolly analyze the maneuvering of real international politics and grip the tiller with deep insight. It is important that they not simply cling to the "Peace Constitution talisman."

In the aftermath of the Cold War structure's collapse, the member nations of the North Atlantic Treaty Organization (NATO) and the former Warsaw Pact Organization (WFO) that confronted each other in Europe have concluded a treaty for the reduction of conventional forces in Europe. On that basis, those nations have also been working to establish a European security system under which no country would be in the position to initiate a war by surprise. Each nation has been working to reduce its military forces and increase transparency. At the same time, it has been declared that the world

henceforth will be in an "era of frequently erupting regional conflicts." Nations are now beginning to recast the organization, deployment, and arms for their next-generation military forces to be able to deal with such sudden conflicts as occurred with the Gulf War and the fighting in the former Yugoslavia.

It is quite clear that arms reduction in Europe is not without goals. There is the opinion in Japan that now that the major nations of the West are engaging in arms reduction, Japan, which enjoys a Peace Constitution, should lead the world in arms reduction. Regarding the buildup of our nation's military power to date, however, in contrast to the various nations of the West, Japan has not generally made its preparations on the basis of reality or in consideration of conducting a war. Viewed in this light, our nation's defense system is in no position for reductions. Rather, in light of the military situation in East Asia, we are in no objective situation in which we must conduct arms reductions.

It will likely be debated henceforth, but I hope that as soon as possible we escape from the first myth of the "Peace Constitution talisman." I hope that in so doing we look directly at the actual trends in international politics and work towards a steady, effective defense buildup. During the Cold War, our national defense entrusted the fate of our national security to the deterrent force of the Japan-U.S. Security Treaty. In addition, Japan set the operational and combat strength of the Self-Defense Forces (SDF), their ability to respond, calculated on the timely arrival of the U.S. military. The SDF were thus "independently to turn back a limited armed invasion." This had military logic to it when there existed for Japan and the United States a common military threat. The choice can be said to have been one with great merit for the nation. However, with the collapse of the Cold War system, the international situation around Japan has become enveloped in fog. The situation is such that many people feel compelled to use the term "opaque" in speaking of international politics.

Recently, from the midst of this fog around Japan, I have the sense of beginning to glimpse the active moves of nations that, having achieved domestic order, are seeking to project national power. Those responsible for the nation's security must now consider, in light of the composition of mutual antagonisms between nations visible when the fog has lifted, both the emergence of unexpected circumstances when they cannot count on the U.S. military coming to Japan's aid as well as a rapid response to such circumstances.

Our nation's defense forces were essentially established in the strategic environment of the Cold War period

with the objective of being able to handle the basics. However, looking back, we must acknowledge that we hoped in U.S. military power and were in an overall state of insufficient and unbalanced fighting power. Particularly in regards to personnel and materiel combat strength for land warfare, command and control capabilities, organization, and so on, and when we broaden the scope to consider as well the legal system to handle emergencies and host nation support required for joint operations with the United States, we can probably say that the nation's defense system has been distorted and that this inadequate situation has continued to the present.

In this situation, considering the advent of an attack in which Japan could not expect U.S. military forces to come to our aid, it is clear that we cannot escape too soon from the second myth. I believe that it has become vital that we coolly take another look at the inadequacies of our national defense, to which I have referred, and adopt appropriate policies.

One feature of our nation's defense administration is that it is truly difficult to change something once set. There are things that we do not try to change. Looking only at the situation whereby we have finally modified the National Defense Program Outline [NDPO] after 20 years is proof of this. How many times during this period did other countries modify their organizations and change their combat training in response to changes in political circumstances and improvements in weapons? One wonders whether the chance to improve decrepit, old arrangements for the future comes for our nation only once every 20 or 30 years. Important today is hastening as quickly as possible the buildup of our defense power and working to construct quickly a system able to respond to ever-changing conditions.

It is said that a threat is the product of intention times capabilities. Intention, without referring to history, suddenly changes critically according to unforeseen circumstances. Consequently, a defense system for a nation such as ours, involved only in strategic defense, must closely monitor and evaluate the military capabilities of neighboring countries in constant preparation for responding to any eventuality. Future threats to our nation's security will not be clear, as in the Cold War era. Preparation of a broad defense for such low-intensity threats as terrorism, guerrillas/commandos, and armed refugees to island attacks, strategic attacks on major areas, and even nuclear missile attacks.

Russia and China are military powers in Asia. They possess the ability to wield military power independently at their own initiative.



The Korean peninsula remains as it was during the Cold War. It is still the world's most tense region, where armies totalling over one million face each other over the demilitarized zone at the thirty-eighth parallel. The nations of ASEAN and others in Southeast Asia, with the favorable turn in their economic situations and their subsequent development, are working on preparations to be able to defend their national territory, sea, and air space. Their military forces are modernizing by obtaining first-rate weapons. Regional conflicts, when they take place, are bound to be extremely intense.

When we view the strenuous movements of these neighboring countries, our nation must understand the future possibility of entanglement in a similarly intense military crisis.

Our nation's defense power, while continuing in the future to join with the nation's diplomatic, economic, cultural, and other strengths in mutual supplementing each other, should be prepared while making use of our ally's power.

However, in regards to a future likely attack against our nation, we should have the ability to eliminate it by our own military power alone. To do so will require upgrades in firepower, mobility, and intelligence capabilities as well as such elements of the command and control structure and national legal system of our nation's defense. I believe that in so doing our deterrence will work, the alliance with our ally will take root, and we will be able to act in international politics.

As long as we have a defense policy of exclusively defensive defense, if we do not execute a thorough defense buildup, attaining national defense goals will be difficult. I would like it well understood that it will not do to argue simply by talking about the nation's finances and citing what other countries are doing in arms reduction.

This is a matter of life or death to the nation.

Moreover, it goes without saying that we must prepare efficiently through the joining of ground, maritime, and air power. However, central to the national defense, its core along with the people, is ground defense power that forms the heart of popular resistance.

This book, from the standpoint of unit activities, focuses on ground defense power at the operations unit level. Always with how to fight at the fore, the book argues for the directions to take in building up capabilities, organization, equipment, and other elements.

Those involved in defense is by no means the type who seek to speak simply to have themselves understood by others. They seek to introduce his field so that the nation

as a whole might function more effectively. I would like therefore to have the general public gain even just a little bit better understanding of the difficulties of developing a defense capability, complications in its use, as well as the importance of specialized knowledge and expertise and unit command experience in operations. I hope that this volume will prove valuable as material for encouraging the nation's people, through the medium of politics, to consider the appropriate status for national defense factions for the next generation in Japan, and to adopt the right policies.

I do not know how long this situation, said to be one of detente following the Cold War's end, will last.

Therefore, precisely at this time, I believe that we have a golden opportunity to prepare our nation's national defense, particularly arrangements for balanced defense power truly capable of combat. 29 October 1995 (Day of central memorial ceremony marking the SDF's establishment)

**Japan: Article Discusses Ideal Japan-U.S. Alliance**  
OW2404090996 Tokyo ASAHI SHIMBUN  
in Japanese 19 Apr 96 Morning Edition p 1

[Article by U.S. Bureau Chief Yoichi Funabashi: "Wits Needed for Stabilizing 'Alliance'— Radical Pragmatism"; from the "Coordinates" column]

[FBIS Translated Text] During his stay in Japan, U.S. President Clinton visited the aircraft carrier Independence and cheered up the servicemen. In the speech, he praised himself for the recent dispatch of the aircraft carrier off Taiwan, saying, "We showed our power to the world without firing a bullet." What he meant by power is the power of the United States — the "silent power" called military presence.

During the Persian Gulf crisis, the Independence was first to be dispatched, and its airborne warning team, the "Liberty Bells," played an active part in dealing with the situation. The Independence's activities, ranging from "the Gulf" to "China" and "the ocean," indicates a change in the strategic environment of the Asia-Pacific region after the end of the Cold War.

With the signing of the Japan-U.S. Joint Declaration on Security by the two leaders, the Japanese and U.S. Governments have taken a step forward in the direction of "the Alliance for the 21st Century," which is the declaration's subtitle. The Japan-U.S. relationship, which lost its direction after the cold war, seems to have regained its compass at long last.

### **Dynamics Similar to Those of Okinawa's Reversion to Japan**

Japan-U.S. relations began to drift after the Gulf war, because the United States lost its target after the "Cold War victory," while Japan lost its vision after its economic "success"; so the respective roles of the two sides have become unclear and vague. The change of generations of U.S. leaders and the end of one-party rule by the conservatives in Japan have also made Japan-U.S. dialogue difficult. The emergence of military base issues following a rape case in Okinawa last fall and postponement of U.S. President Clinton's visit to Japan brought about a crisis in Japan-U.S. security arrangements and a "hollowing out" of relations.

However, "Okinawa" has changed the situation. Okinawa has taught politicians that a crisis builds up if Japan maintains its stereotypes and the status quo. People saw political leadership, which had not been seen for a long time, in the recent decision of the leaders of the two nations on consolidation, realignment and reduction of U.S. military bases, including return of Futenma [Marine Corps] Air Station, although there will be many obstacles to implementation of the plan. In 1972, when Okinawa was returned to Japan, a sense of crisis that the Japan-U.S. security alliance itself would break up unless the Okinawa return was carried out helped materialize joint work for the return. This time, similar dynamics were at work.

However, the joint declaration is not a final reaffirmation of the security arrangements but a starting point. There are too many problems the government has to come to grips with. The very definition of a security alliance without clear enemies and threats to deal with is doubtful. Work to merge the future image of the United Nations with that of the Japan-U.S. alliance was almost ignored, including adjusting security relations and economic relations; setting up a framework for diversified stability in the Asia-Pacific region and an alliance between Japan and the United States; settling the issue of shared roles and duties and their reciprocity and balance; and promoting study of defense systems to deal with emergency cases and possible exercise of the collective defense right.

### **Japan-U.S. Cooperation To Cope With the PRC**

There is a question as to how deeply and how far Japan and the United States can cooperate to bring China into the international community. This question may determine the nature of the Japan-U.S. alliance in the long term.

China suspects that "redefinition" of Japan-U.S. security arrangements is another name for "containment of

China." Prior to Clinton's visit to Japan, the U.S. Government explained to China the details of the "redefinition." The Chinese side's questions focused on the following three points: how China is treated in Japan-U.S. security arrangements; how Taiwan is regarded; and whether the bilateral alliance is within the framework of the present Japanese Constitution. The country suspects that revitalization of the Japan-U.S. security system may urge Japan to become a military superpower.

I recall that China expressed growing suspicion when then Japanese Prime Minister Eisaku Sato and then U.S. President Richard Nixon, in their 1969 talks, endorsed Japan-U.S. security cooperation to maintain stability in the Far East. After the Sato-Nixon meeting, then Presidential Assistant Henry Kissinger secretly visited Beijing to normalize relations between the United States and China. He had to maintain repeatedly that the "Japan-U.S. alliance does not target China."

Although many things have changed since the end of the Cold War era, not everything has changed. There has been little change in Japan-U.S.-China geopolitical mechanism, in which Japan and China can maintain the "balance" well by inviting the United States to join them. The Japan-U.S. alliance has contributed to stability in the Asia-Pacific region, and the same is still true. We have to learn wisdom to maintain the alliance, even without an enemy.

### **"Ideology" Should Be Eliminated**

We cannot do this if we try to maintain the status quo, as the Okinawa base issue has revealed. We must eliminate "ideology." We are no longer allowed to enjoy extravagance in such arguments. We have to activate arguments on concrete, specific policies. To that end, healthy opposition parties are indispensable. However, we should not make the security issue a tool for a political dispute.

This is not a time to discuss conservatives and reformists or hawks and doves. We have to approach the security issue from a realistic viewpoint. What should we retain, break off, or add — not to maintain the status quo but to maintain stability? The spirit and posture of watching reality closely and tackling problems fundamentally — I would like to call it radical realism. From this point, we must take a step toward the "alliance for the 21st century."



**Japan: Article Says Security Agreement 'Change for the Worse'**

OW2404051996 (Internet) Shima Media Network  
WWW in English 22 Apr 96

[Article by Takano Hajime, editor-in-chief of INSIDER: "Objection to Hashimoto-Clinton Agreement on Security Issues"; from on-line weekly magazine TOKYO KALEIDOSCOPE No. 81]

[FBIS Transcribed Text] During the Japan-U.S. summit talks last Wednesday (April 17), leaders of both countries agreed their militaries would cooperate in the event of an armed conflict on the Korean peninsula or in the Taiwan Strait with North Korea and China seen as the "potential enemy."

This, I would say, is in fact a change for the worse in the Japan-U.S. security treaty in the sense that it further reinforces the pact's Cold War characteristics. It detracts from efforts to create a new multilateral regional security mechanism in post-Cold War east Asia.

The key factor to the question of east Asian security right now is how we can create a new security framework that fits the post-Cold War reality: It is to create a practical, multi-faceted channel for conflict prevention, confidence-building, and arms reduction by way of confirming the principle of conflict resolution through discussion, not arms. This should be conducted in a multilateral setting where all the concerned nations in the region gather under a mechanism akin to the Conference on Security and Cooperation in Europe (CSCE).

Is there any seed for such development? Yes, there is. When President Bill Clinton visited South Korean President Kim Yong-sam last Tuesday before visiting Japan, he proposed a four-nation conference for peace on the Korean peninsula. This conference aims to upgrade the existing armistice on the 38th Parallel to a peace agreement and naturally all the parties to the War of some 45 years ago, including North and South Korea, the United States, and China, would be present.

However, it would be even more appropriate to enlarge it into a six-nation conference with Russia and Japan as additional participants to broaden the scope of the issues to be covered: Unification of the two Koreas through a continued dialogue between the two sides; and creation of a framework to ensure long-term promotion of economic development and investment in the North so it will not go bankrupt during the dialogue.

Such a scheme, if it in fact becomes a reality, could develop into a multinational system for conflict resolution in east Asia through discussion, not arms. The issues to be covered include not only peace and stability on

the Korean peninsula, but also the Northern territories dispute between Japan and Russia; dumping of nuclear waste in the Sea of Japan by Russia; preservation of marine resources and environment in the Sea of Japan; and the territorial dispute between Japan and South Korea over Takeshima island and the creation of an economic zone.

The first thing that both Japanese and U.S. leaders should talk about now is how to create such momentum in the post-Cold War period. In actuality, however, they discussed ways to reinforce the aggressiveness of the Japan-U.S. security treaty without giving any thought to a revision of its basic framework as a hostile military alliance.

If the proposed four-nation peace conference is not expanded into a six-nation security framework, Japan will be left behind and would find itself being further burdened with increased expectations for its support of the U.S. military in times of conflict if the four-way conference comes to nothing. Without recognizing such a danger, Hashimoto has given credit to himself by saying the summit was a success, but he will later find himself having played the role of a clown.

**Japan: Editorial Urges Suprapartisan Study of 'Emergency' Measures**

OW2404102396 Tokyo YOMIURI SHIMBUN  
in Japanese 23 Apr 96 Morning Edition p 3

[Editorial: "Suprapartisan Study of Measures for Handling 'Emergencies' Should Be Continued"]

[FBIS Translated Text] Prime Minister Ryutaro Hashimoto met with the heads of the ruling coalition and opposition parties separately, following a series of important diplomatic engagements: the Japan-U.S., Japan-Russian, and nuclear summits.

Speaking of talks held between party heads, the leader of the government and ruling party usually meets heads of opposition parties to hear their opinions about the budget compilation or at the final stage of a Diet deadlock to reconfirm their agreements to normalize Diet business. It naturally follows that nearly all such talks inevitably tend to be formal and ceremonial.

However, a meeting between the leaders of two parties must be an occasion that allows them to express their resolve and well-measured opinions about political issues facing the nation. The security issue involving an accord reached at the Japan-U.S. summit on measures to handle Far East emergencies is precisely such a theme.

When viewed from this standpoint, the recent meetings of the party heads were not necessarily satisfactory.

although it was significant that meetings were held at the right time. However, we feel the meetings should be the beginning of efforts by the ruling and opposition parties to transcend the border that separates them and further discuss the security issue.

Take for example the question of whether or not the Self-Defense Forces should provide logistic support to U.S. Forces in case of a Far East emergency. The issue, even the mere discussion of it, has long been regarded as taboo because it is feared that such action may involve exercising the collective defense right.

Little progress has been made even in streamlining a legal framework that would allow this nation to be ready in case national security is threatened. It is because some people have opposed the move for fear that "any such move may lead to war."

Under such circumstances, the government inevitably deserves the criticism that it has neglected its basic political duty to protect the people's lives and assets. From the great Hanshin earthquake that took place last year, we learned the hard way that absence of a legal framework to respond to emergencies can multiply a disaster.

At the meetings of party heads, Prime Minister Hashimoto reportedly touched on the issue of the nation's readiness should an emergency break out in the Far East, and stated: "Some Shinshinto [New Frontier Party] people are talking about special legislation for measures to deal with emergencies, which will be difficult. However, it is necessary to study what we can do within the current constitutional framework. I am not thinking about starting a constitutional argument. There is no need for one."

It is surely unproductive to engage in such a mere conceptual argument as to "whether it will be right or wrong to exercise the collective defense right." The nation needs to continue scrupulous and painstaking studies based on practical scenarios, such as what kinds of crises can be expected and what exactly this nation can do under the present legal framework.

Yet, no discussion will be deepened if we first set the rule that we should avoid certain topics — in this case, the nation's collective defense right and the Constitution.

The prime minister may have taken such a cautious stance out of consideration for his party's coalition partners, the Social Democratic Party and Sakigake [Harbinger Party], so as to maintain coalition unity. We believe there is utter confusion over priorities. If the study of the security issue is carried on steadily, we cannot avoid discussing the collective defense right.

The government maintains that "the nation has the right to collective defense but is not allowed to exercise it because of the constitutional restrictions." As we have maintained so far, we think the government's assertion is greatly flawed in terms of logic and the reality of international relations. Therefore, the government must revise its stance.

The security issue, including how the nation should be prepared for emergencies, concerns the basis of the nation's well-being. As can be expected, such an issue may all the more carry the possibility of "triggering" the regrouping of political parties. That is also the reason the issue is sometimes linked to a possible move toward "an alliance among conservative members [ho-ho rengo]" [particularly of the LDP and Shinshinto] to form a new group.

However, it is important for politicians to exercise caution, and they should refrain from exploiting the security issue for the mere purpose of swaying the current political situation.

#### **Japan: LDP Delegation Visits Jiang Zemin; Taiwan Issue Discussed**

OW2304135296 Tokyo KYODO in English  
1328 GMT 23 Apr 96

[FBIS Transcribed Text] Beijing, April 23 KYODO — President Jiang Zemin said Tuesday [23 April] that China will not renounce the use of force against Taiwan as long as there is a movement toward independence in Taiwan.

Jiang made the remarks to a delegation from Japan's Liberal Democratic Party, the largest partner in the tripartite ruling coalition, adding "military exercises were meant to show this point."

China conducted a series of military drills last month before and during the first direct presidential election in Taiwan.

Jiang said it is necessary for Japan to take the same attitude toward China as it does toward the United States.

Jiang was quoted as saying the U.S. possesses by far the largest arsenal of nuclear weapons in the world.

The Chinese president also said that although Japan and the U.S. are similar ideologically, China and Japan have common interests as neighboring countries.

If China develops its potentially large market, China will not be a threat but become a symbol of stability in the world, he said.

**Japan: LDP Legislators Clash With PRC Hosts Over History**

OW2404123996 Tokyo KYODO in English  
1151 GMT 24 Apr 96

[FBIS Transcribed Text] Beijing, April 24 KYODO — Legislators from Japan's conservative Liberal Democratic Party (LDP) clashed with a group of Chinese scholars in a heated debate on Taiwan and wartime history Wednesday [24 April], highlighting the perception gap between the two nations.

Masaaki Nakayama, who was introduced by delegation leader Masajuro Shiokawa as the "leader of hawkish lawmakers," provoked the Chinese hosts by stating that Taiwan existed as a nation even before the founding of the People's Republic of China in 1949.

That contention is often cited by Taiwanese pro-independence activists to bolster their call for a formal split from Mainland China, which regards the island as a renegade province.

China, after losing in the Sino-Japanese war in 1895, had to cede Taiwan to Japan, which ruled the island as a colony until Japan's defeat in World War II in 1945.

"When Japan was defeated, there was no (People's Republic of) China yet. The fact that Taiwan existed as a nation between 1945 and 1949 is as much an unchangeable fact as one plus one makes two," Nakayama said.

In response, a Chinese scholar said, "hearing Mr. Nakayama's statement I feel that we are still facing a problem of differing historical awareness between our nations."

The scholar dismissed Nakayama's claim that there was a Taiwanese nation before the founding of communist China, arguing that at the time Taiwan existed as a province under the government of the Chinese people.

Following Japan's defeat, Chiang Kai-shek's Kuomintang (KMT) or Nationalist Party government dispatched a provincial governor to Taiwan who violently suppressed a vocal Taiwanese independence movement.

After suffering defeat at the hands of Mao Zedong's communists in the Chinese civil war, however, the KMT moved its entire government to the island in 1949.

Another delegation member, Kiyoshi Mizuno, raised further hackles when he suggested that Chinese politicians raise Japan's wartime invasion of China whenever they are dissatisfied with Japanese policies.

"Isn't China criticizing Japan over historical problems when it actually has something to say about the U.S.-Japan security treaty but doesn't dare to speak out?" Mizuno asked rhetorically.

Wang Xiaoxian, vice president of the China-Japan Friendship Association, responded flatly, "if we refrain from making comments and show caution, this serves to maintain Sino-Japanese friendship."

The Chinese side also displayed unease over last week's reaffirmation of the U.S.-Japan security alliance when U.S. President Bill Clinton made a state visit to Tokyo.

Among the misgivings voiced were fears that Japan would become a militarist power again and that Tokyo aims to pave the way for collective military action with the United States.

The LDP is the largest party in Japan's ruling three-party coalition. The delegation, which arrived in China on Sunday, has met with Chinese President Jiang Zemin and other Chinese leaders.

**Japan: LDP Proposes To Include Japan, Russia in Korea Talks**

OW2304141896 Tokyo KYODO in English  
1311 GMT 23 April 96

[FBIS Transcribed Text] Seoul, April 23 KYODO — A top Japanese policy-maker Tuesday [23 April] proposed in talks with South Korean leaders that proposed quadrilateral talks for peace on the Korean peninsula also include Japan and Russia, Japanese officials said.

Taku Yamasaki, chairman of the Policy Affairs Research Council of the Liberal Democratic Party (LDP), the largest partner in Japan's ruling three-party coalition, aired the idea in talks with South Korean Foreign Minister Kong No Myong and in an ensuing meeting with South Korean President Kim Yong-sam.

Kim and U.S. President Bill Clinton last Tuesday proposed quadrilateral talks for a new peace agreement to replace the Korean Armistice that ended the 1950-53 Korean war.

The proposed talks would group North and South Korea and their respective major allies in the war, China and the United States.

But Kong said that for the time being, Seoul wants to stick to four-nation talks in line with the joint Kim-Clinton initiative. He also noted that Seoul two years ago proposed an informal Northeast Asia security dialogue involving the six countries and Mongolia.

Other members of the Japanese coalition delegation are Yamasaki's counterparts from the Social Democratic Party and New Party Sakigake [Harbinger] — Shigeru Ito and Kisaburo Tokai.

Both sides also reaffirmed they will discuss overlapping territorial claims to a group of islets separately from



negotiations over a new fishery agreement that becomes necessary after both nations declare a 200-nautical mile exclusive zone along their coasts, probably in February.

Both countries claim the islets in the Sea of Japan, known as Takeshima in Japan and Tokto in South Korea.

Kong and Kim both stressed in talks with the delegation that Seoul basically approves of Tokyo's plans to normalize relations with North Korea, but insisted that Tokyo proceed with the scheme in close consultation with South Korea.

Kim asked the policy-makers to convey his invitation to visit South Korea to Japanese Prime Minister Ryutaro Hashimoto.

In Tokyo, Hashimoto told reporters, "I think it would be a good idea, provided the timing is right."

Hashimoto, who heads the LDP, became prime minister in January and met with Kim for bilateral talks while attending a summit of Asian and European leaders in Bangkok in early March.

In those talks, which came in the wake of heightened nationalist sentiment in South Korea over the refueled isles dispute, Kim had already directly invited Hashimoto to visit.

At an earlier news conference, Chief Cabinet Secretary Seiroku Kajiyama said that at present there were "no plans at all" for a South Korea trip.

Japanese Foreign Ministry sources said that Kim, strengthened by his party's showing in the recent general election, apparently hopes to get relations with Japan fully back on track through a leaders' meeting.

#### **Japan: LDP's Yamasaki: Fall Normalization Talks With DPRK Considered**

OW2404033096 Tokyo KYODO in English  
0322 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 KYODO — Japan hopes to resume talks by this fall on normalizing relations with North Korea, a high-ranking official of the Liberal Democratic Party (LDP) said in Seoul on Wednesday [24 April].

Taku Yamasaki, chairman of the LDP's Policy Affairs Research Council, made the remark in a meeting with reporters traveling with him on a trip to South Korea.

Yamasaki, of the LDP, the largest partner in Japan's ruling three-party coalition, and his counterparts from the Social Democratic Party and New Party Sakigake are in Seoul for a series of meetings with South Korean leaders.

The coalition delegation held talks Tuesday with South Korean President Kim Yong-sam and Foreign Minister Kong No-myong.

Yamasaki also told reporters that normalization talks between Tokyo and Pyongyang should resume before the start of financial assistance to North Korea by the Korean Peninsula Energy Development Organization [KEDO].

He said he expects inter-Korean dialogue and four-way peace talks among North and South Korea, the United States and China to make progress before Japan and North Korea begin full-scale talks on establishing diplomatic relations.

He added he believes the 3 percent consumption tax should be raised to 5 percent in April next year, as planned.

#### **Japan: UN Delegate Says Report on 'Comfort Women' Not Accepted**

OW2004004296 Tokyo KYODO in English  
0011 GMT 20 Apr 96

[FBIS Transcribed Text] Geneva, April 19, KYODO — The United Nations Human Rights Commission adopted a resolution Friday [19 April] on violence against women, but only "took note" of a report on Japan's wartime sex slavery.

The report urged the Japanese Government to pay compensation to former "comfort women," who were forced to provide sexual services for soldiers, and to punish those involved in the recruitment of the women.

The report was prepared and submitted to the commission by Radhika Coomarasamy, a U.N. special rapporteur on violence against women, after a yearlong study, including a short visit last summer to North Korea, South Korea and Japan.

The six-page resolution adopted by the commission said in one three-line paragraph that it "welcomes the work of the special rapporteur on violence against women, its causes and consequences, and takes note of her report."

The report consisted of three areas, with the two main parts focusing on family violence and the last on "comfort women."

Ambassador Minoru Endo, head of the Japanese delegation to the commission, told reporters, "we are satisfied with the resolution. It is very obvious that the report on sex slavery was not accepted by the commission."

He said the commission's "taking note" of the report indicates it was not appreciated at all.

But Endo said Japan praises the report on family violence and would respond to her recommendations on this issue.

After the "comfort women" report was submitted to the commission, the Japanese Government prepared a 50-page rebuttal questioning its factual descriptions and legal argument, according to diplomatic sources.

Japan refrained from distributing the document, however, after several commission member states urged it to do so as it was too harsh to the rapporteur, they said.

In her presentation of her report to the commission last week, Coomarasamy elaborated on the issue of family violence but barely mentioned the portion dealing with Japan's use of women as sex slaves.

But the South Korean Government, in a subtle change of its policy, urged Japan last week to take steps to implement the report's recommendations, which include payment of compensation by the Japanese Government to the victims.

After much behind-the-scenes lobbying by member countries, a compromise was reached in which the rapporteur's work was "welcomed" but the report was only "taken note of."

Still, a hastily organized international alliance of NGO's, supporting Coomarasamy's report and led by South Korean council for the women drafted for military sexual slavery by Japan, issued a statement claiming the report was "accepted" by the resolution of the commission.

#### **Japan: Civic Group Urges Government Compensation for 'Comfort Women'**

OW2004135296 Tokyo KYODO in English  
1331 GMT 20 Apr 96

[FBIS Transcribed Text] Tokyo, April 20 KYODO — A civic group Saturday [20 April] called on the government to pay compensation in line with recommendations in a U.N. report to women whom the Japanese military forced into front-line brothels during World War II.

"The Japanese Government must accept the recommendations and offer an apology and pay compensation to the victims as soon as possible in recognition of its legal responsibility as a state," said Yoshikazu Sakamoto, honorary professor at the University of Tokyo and one of the initiators of the civic group.

The group, which is campaigning for government compensation for the wartime sex slaves, plans to formally submit its requests to the government soon.

They called a news conference after the U.N. Human Rights Commission in Geneva adopted a resolution

Friday on violence against women that also "took note" of the sex slave report.

The report was prepared and submitted to the U.N. commission by Sri Lankan jurist Radhika Coomaraswamy, a U.N. special rapporteur on violence against women, after a yearlong study that included visits to the two Koreas and Japan.

In her report, Coomaraswamy recommended the Japanese Government pay compensation to the former sex slaves, euphemistically called "comfort women" in Japan, and punish those responsible for establishing the system.

Japan's delegation to Geneva, which had lobbied against an endorsement of Coomaraswamy's recommendations by the U.N. commission, said the resolution's phrasing of "taking note" showed that the sex slavery report was not accepted.

Kinhide Mushakoji, professor at Meiji Gakuin University and member of the civic group, acknowledged at the news conference that "taking note" ranked low on the world body's yardstick of approval.

"However, what is important is that the resolution has put the report and its recommendation for government compensation on the record as a document of the United States," he said.

"It's not satisfactory, but I think it has provided us with a good base (for our demands)," he said.

Japan launched the Asia Women's Fund last July at the instigation of the previous cabinet under Prime Minister Tomiichi Maruyama to have the private fund collect money from the public for donations to the former sex slaves.

But the move has drawn angry reactions from the aging women forced into sexual servitude, who say they want a formal apology and compensation from the Japanese Government.

#### **Japan: Iceland Supports Tokyo's Bid for Permanent UN Seat**

OW2304140796 Tokyo KYODO in English  
1222 GMT 23 Apr 96

[FBIS Transcribed Text] Tokyo, April 23 KYODO — Icelandic President Vigdis Finnbogadottir on Tuesday [23 April] reiterated Iceland's support for Japan's bid for permanent membership on the U.N. Security Council, for which Prime Minister Ryutaro Hashimoto expressed gratitude, a foreign ministry official said.



During a half-hour meeting at the Premier's Official Residence, Hashimoto expressed regret that Finnbogadottir, whose fourth four-year term of office is expiring at the end of July, is not running for a fifth term.

Finnbogadottir has visited Japan five times including the present trip, and Hashimoto met the Icelandic president twice when she came to Japan in 1989 for the funeral of Emperor Showa and the enthronement of Emperor Akihito, the official said.

This time she came to Japan to give a keynote speech at an international forum Saturday and Sunday in Saitama Prefecture, north of Tokyo, to discuss ways to promote the advancement of women.

The ministry official quoted Finnbogadottir as saying that she was the world's first popularly elected female president 16 years ago but now women are not very rare among presidents.

A democratic society is one where women can participate in decision-making, the president said.

Finnbogadottir arrived in Japan last Thursday and will leave for home next Wednesday.

#### **Japan: Tokyo Decides To Build Refugee Relief Goods Storage Base**

OW2204093596 Tokyo YOMIURI SHIMBUN  
in Japanese 21 Apr 96 Morning Edition p 2

[FBIS Translated Text] As a way to improve the nation's refugee relief operations system, on 20 April the government decided to set up a storage base to store various necessary provisions such as tents and makeshift water tanks. Although Japan has a storage base for natural disaster rescue operations, this one is going to be the first base for refugee relief operations. The international peace cooperation headquarters of the Prime Minister's Office characterizes the plan as "a step toward establishing a swift and continuous relief goods supply system."

According to the headquarters, the Self-Defense Forces (SDF) were sent on Rwandan refugee relief operations in September 1994 as the nation's first "humanitarian international rescue activity" under the UN Peacekeeping Operation (PKO) cooperation law. In this operation, relief goods were provided by the Japan International Cooperation Agency (JICA) from its stockpile for natural disaster rescue operations. Compared with Europe and the United States, it took Japan more time to ship those supplies. It highlighted a problem in its supply system.

Since most industrial countries, such as the United States, Britain, and the Netherlands, have constructed

a storage base for refugee rescue operations near airports and air force bases, the international cooperation headquarters judged that "it is necessary for Japan to improve its storage system for swift supply of relief goods." Although no decision has been made as to where the storage base should be constructed, some have already suggested that it would be appropriate to build it near an international airport.

#### **Japan: Tokyo Expected To File WTO Case Against Brazil on Autos**

OW2404105796 Tokyo YOMIURI SHIMBUN  
in Japanese 23 Apr 96 Morning Edition p 6

[FBIS Translated Text] According to a government source on 22 April, the Brazilian Government tariff imposed on foreign-made cars and auto parts violates the World Trade Organization (WTO) agreement, and Japan will file a suit against Brazil with the WTO. Japan may ask Brazil to open bilateral negotiations under the WTO agreement, and file the case with the WTO as early as before the end of the week.

This will be the second time Japan has filed a case with the WTO. The first was filed in May 1995 as a countermeasure to U.S. sanctions on Japan in the process of the Japan-U.S. automobile and auto parts negotiations.

Brazil raised the tax rate for imported cars from 32 to 70 percent in March 1995. In June last year, it also announced a policy of low tariff rates only for cars and auto parts imported by foreign carmakers operating in Brazil that have a local procurement rate above 60 percent. This policy was implemented in January. As a result, there has been a drastic decline in Japanese car exports to Brazil.

Japan believes that such a measure violates the WTO agreement's "principle of national treatment" of not discriminating between imported and domestic products. Under WTO rules, bilateral negotiations have to be initiated within 30 days after a notice of complaint is issued. If such negotiations do not solve the problem after 60 days, a conflict settlement panel will be formed.

After the inauguration of the WTO, Japan has come out with a trade policy of honoring international rules, such as the WTO agreement. The WTO case against Brazil will reemphasize Japan's position of solving problems based on international rules to the Japanese people and the world at large.

**Japan: NTT Chief Sees Only Five  
Telecommunications Firms Surviving**

OW2404083296 Tokyo KYODO in English  
0723 GMT 24 Apr 96

[FBIS Transcribed Text] Tokyo, April 24 KYODO — A total of only around five common telecommunications carriers stand to survive the next three years in Japan, the United States and Europe, the head of Nippon Telegraph and Telephone Corp. (NTT) said Wednesday [24 April].

"Three U.S., one or two European and one Japanese carrier will find themselves in fierce international competition," Masashi Kojima said at a news conference, though he declined to name the companies.

In the U.S., Bell Atlantic Corp. and Nynex Corp. said Monday they will merge to become the second-largest U.S. Telecom carrier after AT and T Corp., following a merger deal announced by SBC Communications Inc. and the Pacific Telesis Group earlier this month.

"This is what I have predicted," Kojima said.

He said he had forecast three years ago that U.S. carriers would be consolidated into three to five prominent ones since telecom carriers cannot offer "vivid" operations unless they can serve clients in broader regions.

U.S. carriers are merging because they find themselves too weak in terms of both capital and technical expertise to go it alone abroad, Kojima said. "I have a sense of crisis" about the situation, he said.

Meanwhile, Kojima said the company has no objection to easing restrictions on the foreign ownership of NTT and Japan's international carrier KDD, a move the U.S. and the European Union (EU) are urging in ongoing international talks on telecom liberalization.

"Japan cannot continue refusing to open up" its market to foreign carriers at a time when the U.S., Britain and other countries are opening up theirs, Kojima said.

Telecom liberalization is a service-sector issue which remained unresolved under the Uruguay round of global trade talks concluded at the end of 1993. Some 50 countries are negotiating a deal under the World Trade Organization (WTO) against the April 30 deadline.

The topic was high on the agenda of the weekend meeting in Kobe, where trade ministers from Japan, the U.S., Canada and the EU discussed global trade issues ahead of the WTO ministerial meeting in Singapore at the end of this year.

While the ministers reaffirmed their commitment to conclude the WTO telecom deal by the April 30 deadline, they failed to agree on foreign ownership

restrictions, a key issue in the talks, mainly because European nations are divided over the issue.

Britain has already removed all restrictions on foreign ownership and Germany plans to do the same by the end of 1998. But France, Spain and other countries are not willing to ease the restrictions.

Japan offered to repeal restrictions on ownership of shares of telecom carriers other than NTT and KDD but the U.S., which has proposed full liberalization of its own restrictions, argued that it is not enough, calling for lifting regulations on the two giant Japanese carriers as well.

**Japan: Canadian Minister Seeks Easing of Wooden  
House Rules**

OW2304105696 Tokyo KYODO in English  
0956 GMT 23 Apr 96

[FBIS Transcribed Text] Tokyo, April 23 KYODO — Canadian International Trade Minister Arthur Eggleton urged Japan on Tuesday [23 April] to ease regulations on prefabricated wooden houses.

Eggleton, who attended the quadrilateral trade conference in Kobe over the weekend, told a news conference the construction period for the houses can be shortened drastically if Japan accepts Canadian timber standards.

He added that prices can be brought down if fire prevention regulations for three-story wooden houses are relaxed and tariffs are cut.

Canada's exports of lumber and prefabricated housing to Japan last year nearly doubled from a year before to 130 million U.S. Dollars in 1995.

The Kobe conference was attended by representatives from Canada, Japan, the United States and the European Union.

**Japan: Tokyo Offers \$1 Million in Aid to Lebanese  
Refugees**

OW2304132496 Tokyo KYODO in English  
1041 GMT 23 Apr 96

[FBIS Transcribed Text] Tokyo, April 23 KYODO — Japan will extend some 1 million dollars to Lebanese civilians who have lost their homes amid hostilities between Israel and a Shiite Muslim guerrilla group in Lebanon, Foreign Minister Yukihiko Ikeda said Tuesday [23 April].

Ikeda made the pledge in a 30-minute meeting with Fu'ad Sinyurah, the visiting Lebanese state minister for budgetary affairs, a foreign ministry official said.

He also noted that the government will support financially the activities of a major Japanese nongovernmental organization, the Association of Medical Doctors for Asia, which will shortly send three doctors and a nurse to Lebanon, the official said.

The violence in southern Lebanon has resulted in the deaths of more than 150 civilians who had taken shelter there.

Ikedo also renewed a call for an immediate cessation of hostilities in Lebanon as a step toward peace, the official said.

While he hopes for a comprehensive and durable peace, Sinyurah said the withdrawal of Israeli forces from Lebanon is a prerequisite for peace.

#### **Japan: Conversion to Strategic 'Official Development Aid (ODA)'**

962A0046A Tokyo FORESIGHT in Japanese Jan 96 pp 58-61

[FBIS Translated Text]

**Japanese foreign aid leads the world in monetary value, but its purpose remains absolutely unclear. There is a need to redefine [Official Development Aid] ODA's position as an integral part of overall diplomatic strategy.**

For some time now Japan's foreign aid program has been criticized as being "aid without a purpose" or "aid without a philosophy." But, even amidst such criticism, Japanese government ODA funding has risen consistently. The government's planned budget for the next fiscal year, which was approved at the end of December of last year, reflects a reduction of 3.5 percent from the prior year or a rate of reduction exceeding the prior year for the third straight year, but the total program was set at 1.1452 trillion yen. At a conversion rate of 100 yen to the dollar, the dollar value of the program would be roughly \$11.4 billion, making Japan unmistakably the world's largest aid provider for the sixth consecutive year. Principal aid providing nations of Europe and the United States show signs of suffering from "aid weariness," but Japan will probably continue to rank at the top as an aid provider.

Ever since the middle of the 1980's when ODA budgets increased sharply, frequent questions have been asked about aid doctrine and the status of aid in terms of "Why must we maintain aid programs?" Recently, some attempts have been made to position aid politically and strategically with phrases, such as "Aid for the sake of protecting national interests" and "Aid as a diplomatic tool." However, debate on ODA doctrine, roles, and directions have in no way been summarized

and concurrent expansion of nations eligible for aid has created a situation in which we lack a focus for aid programs. The question is, how are we going to reconcile the overall "global aid program" with the entangled reality of aid programs? There is a need to conduct a fresh review of ODA from a variety of aspects such as its position in relation to diplomacy as a whole, establishment of an aid information collection and analysis system, and nongovernment organizations (NGO — private-sector public interest organizations).

#### **Background for "Explosion of Criticism" in the 1980's**

For beginners, let us conduct a brief review of Japanese aid history. Postwar Japan initiated aid in the form of technical aid and yen-denominated loans in the 1950's. Ever since, Japan has centered its aid programs in the Asian nations in the form of financial grant-aid, technical aid, and yen-denominated loan aid. Among such programs, Japan's aid has been characterized by yen-denominated loans for the purpose of building infrastructure for developing nations.

Such Japanese aid reached a turning point around 1980. Aid until that point was based primarily on economic doctrine calling for "aid to support self-help efforts in the area of economic growth on the part of developing nations," and it could be said that there was a complete absence of any effort to extend aid from the perspective of "national interests" or "diplomatic strategy." That is not to say that political and strategic considerations were completely absent. Japanese aid was administered in a manner which placed emphasis on aid for pro-American Asian nations, and whether it was intentional or unintentional, Japan's aid was implemented so as to support the U.S. global strategy towards the Soviet Union.

On the other hand, aid administered with priority given to Asian nations was of definite benefit to the Japanese economy. The reason is that various programs implemented under ODA resulted in orders for Japanese corporations. In a sense, you could say that ODA provided underlying support to "Japan Inc." which spread throughout Asia under a bureaucratic-private sector relationship. As a result, Japan enjoyed the political and economic benefits of ODA, without concerning itself with the construction of a detailed aid doctrine.

However, arrival of the 1980's marked the end to the program coordination age. ODA budgets grew amazingly at the rate of eight to 10 percent annually and exceeded that of the United States in 1989, making Japan the global leader as an aid provider. On the other hand,



criticism of ODA exploded from both domestic and international sources. Domestically, the relationship between big corporations and ODA was denounced, under allegations that Japan's ODA was a means of lining the pockets of certain influential individuals much like the situation symbolized by the Marcos government in the Philippines. Environmental issues associated with major development projects also surfaced gradually. Further, internationally, numerous charges were made that, "Japan was deploying checkbook diplomacy designed to bribe friendly nations with money."

When one looks back at this time, the background which caused the explosion of criticisms during the foregoing period is obvious. The foremost reason that Japan sharply increased its ODA programs was to somehow avoid external pressure concerning its foreign trade surpluses, while the programs were implemented in the absence of any clear-cut aid philosophy or doctrine. Further, systems to evaluate the effects of aid or survey the impact on recipient country residents and environment were nonexistent. The result was exposure to the basic issue of "Why are aid programs being implemented?"

During the same period, Japan extended "peripheral-nation aid" to Pakistan and Oman when it was requested to "shoulder commensurate obligations" in connection with the Soviet invasion of Afghanistan and the Iran-Iraq War. This series of aid had clear-cut political and strategic significance, but Japan hardly emphasized any aspect of "strategic aid" and did not use the aid as a basis for redefining aid doctrine.

The end to the Cold War has undermined diplomacy dependent upon the United States. The advent of the 1990s witnessed the bursting of the economic bubble, causing the public to ask the question, "Why must we maintain such huge ODA programs?" Under such circumstances, Japan first published explicit aid doctrine and aid principles in the "ODA Outline" approved by the cabinet in June 1992.

#### Inconsistencies in "Four Principles of ODA"

In the first section concerning "Basic Doctrine," the "Outline" provides for past economic aspects by stating, "Realize the healthy economic growth of developing nations," and makes reference to political aspects of recipient nations by referring to human rights, democracy, and the maintenance of "good government." Next, it lists as the "Four Principles of ODA" (1) Compatibility of the environment and development, (2) Avoidance of use of aid for military purposes and aid in support of international disputes, (3) Optimum surveillance of military expenditures by developing nations, the development and manufacture of weapons of mass destruction

and missiles, and weapons trade, (4) Optimum surveillance of developing nations' efforts at democratization, introduction of market-oriented economic systems, and guarantees pertaining to basic human rights and freedom.

The "Outline" in the areas of doctrine and fundamental principles covers matter not mentioned in the past and provides considerable clarification on the position taken by Japan. However, when it comes to the implementation of doctrine and fundamental principles, we encounter a number of problem areas.

Of particular note in terms of inconsistencies relative to the "Four Principles of ODA" are the yen-denominated loans to Iran and China. In 1993, Japan made a decision to provide yen-denominated loans to Iran for the first time since the revolution and issued its initial loan of 38.6 billion yen. However, subsequently, under pressure from the United States, which demanded suspension of aid because of "aid to terrorists" and "suspicion of nuclear weapons development," Japan froze loans beginning with the second increment in the summer of 1994.

On the other hand, yen-denominated loans to China have been continued despite that nation's repeated nuclear tests. The only action which Japan has taken in response to the nuclear tests is the suspension of non-grant-aid with the exception of humanitarian aid, but about 80 percent of aid to China is made in the form of non-grant-aid such as yen-denominated loans. The Ministry of Foreign Affairs explains, "Strong measures to include suspension of yen-denominated loans would isolate China from international society," but when compared to the freezing of yen-denominated loans to Iran, this explanation is not persuasive.

Further, the "Outline" cites the following five points for emphasis under aid programs: (1) Issues of global scope such as environment and population, (2) Basic human needs such as starvation, poverty, and refugees, (3) Cooperation in human development, (4) Construction of infrastructure, and (5) Aid in economic restructuring. Now that today's scope of aid has been expanded to cover a variety of areas such as the environment, population, women, aids, human rights, and democratization, it is only logical that the "Outline" makes reference to a broad range of items of emphasis.

However, the "Outline" merely sets forth points of emphasis and fails to provide a comprehensive picture on how doctrine, fundamental principles, and points of emphasis are stratified and made a part of Japan's foreign policy. Put more bluntly, it is totally impossible to visualize how ODA funding in the amount of 1.14 trillion yen is positioned as part of Japan's foreign

diplomatic strategy. The same statement applies to the narrative content of the annual "ODA White Paper." The 1993 edition of the White Paper came with a cover sheet illustrated with a drawing of the earth converted into a human face. It was an attempt to portray "aid with a purpose." However, there is no need to mention that the contents of the white paper failed to provide for a description of "purpose."

#### **Clarify "Emphasis of Social Development"**

The future will probably witness continued "aid weariness" on the part of advanced industrialized nations. To that extent, dependence on Japanese ODA will remain significant and it will be difficult to make sudden reductions in aid that has grown to this size. On the other hand, a public opinion survey conducted by the Prime Minister's Office revealed that response to the question, "Should aid be actively provided?" the former support rating of more than 40 percent had dropped to 33 percent in 1994, while the rating in response to "Current levels are adequate" had jumped to 46 percent.

That being the case, it probably would not be a waste of effort to rethink Japan's ODA. Such a process should include as a minimum the following considerations:

**First, we should evaluate the goals of Japan's diplomatic strategy and the role ODA is to play as part of diplomatic measures to be used in achieving those goals. In so doing, we should discard the idea of excessive dependence on ODA and consider ODA only as "one of the diplomatic measures."**

The 1995 edition of the "ODA White Paper" states, "The promotion of peace, stability, and prosperity of international society through ODA does none other than to lead to the security of our nation itself; i.e., to its peace and prosperity and the maintenance of our nation's interests." However, "security," "peace and prosperity," and "maintenance of national interests" are not diplomatic goals which can be achieved only through the administration of ODA, and can be achieved only in combination with other diplomatic measures. Despite huge aid to China, we have not been able to prevent their nuclear tests, indicating that ODA is not omnipotent. Further, no matter how much we increase ODA, it will not result in our exemption and reduction of cooperation which must be extended to United Nations peacekeeping organizations (PKO).

Rather, achievement of strategic goals such as "peace, stability, and prosperity in international society" dictates the necessity for use of a maximum number of diplomatic measures. As examples, there are many areas other than ODA in which Japan can play a dynamic role, such as more active participation in PKO activities,

construction of comprehensive Asian security systems, arms control and demilitarization, and establishment of mechanisms to resolve various types of disputes on a multilateral basis. We should examine what we can expect from ODA as one phase of such multilateral international coordination.

**Second, ODA should be positioned as one type of diversified diplomatic measure and we should assume a clear-cut posture of emphasizing social development as one of the goals assigned to ODA.** As I have already mentioned, ODA is currently targeted at new areas such as the environment, population, and basic human needs, while the future will demand an increase in aid to such areas. In June of last year, representatives of Asian nations were gathered in Tokyo for the conduct of a weapons-control seminar, and even measures against such activities as organized crime have become targets of ODA.

Merely listing such new aid areas in the white paper causes vagueness in assigned priorities and obscures the role of ODA as a diplomatic measure. In fact, we should emphasize that the main role of ODA concerns social development and international public property with traditional economic development and new aid targets subservient to these two elements.

This is not a case where we have seen a complete termination of the traditional ODA role concerning growth-oriented economic development aid. However, since entering the 1990's, the focus of development has shifted to the concept of "sustainable development," i.e., the current generation will utilize a variety of resources for the purpose of development without compromising the interests of future generations. Such an approach requires comprehensive measures be taken on issues plaguing modern society not only in the area of the environment, but in reference to such matters as the decline of primary industries, slums and waste disposal in urban areas, and the expansion of disparity between the poor and the rich. As an example, the development of agriculture and forestry leads to the protection of the natural environment, revitalizes agricultural communities, and stems the population flow into urban areas. Further, development of small businesses, including job training and systems improvements, will lead to social soundness.

The scale of aid in support of infrastructure construction of the past will be reduced with more reliance upon the private sector for the handling of such projects. As an alternate approach, emphasis on social development will be clearly established and action taken to reinforce aid administering organizations in the area of expanded survey capacity and the dispatch of experts. If we



clarify ODA roles in this manner, we will create a situation in which aid doctrine and philosophy are easy to understand and the "purpose" becomes obvious.

Recognizable with respect to points 1 and 2, is the aid extended to the Palestinians. Japan has given aid to Palestine, ever since the signing of the peace agreement between Israel and the Palestine Liberation Organization (PLO) in 1993. I have been involved in such aid at various levels, but in December of last year, a Palestine Autonomous Government representative that I met on the Gaza strip told me that Japanese aid was playing an important role in the area of employment and housing. Aid to Palestine can be recognized because its was positioned clearly from the very beginning as aid in support of the Middle East peace process and because it translated into "emphasis of social development" aid in that Palestine had to be developed both socially and economically from "point zero."

#### **Establishment of Information-Gathering System**

**Third, there is a need to establish and expand the capability to gather and analyze information concerning aid.** Information mentioned here is not limited to economic matters and consists of a wide scope, such as political trends in aid recipient countries, military affairs, and status of social security including terrorism. Mention of military affairs and terrorist information in connection with aid may sound odd. However, now that we list the military aspect in the Four Principles of ODA, it is only logical that we collect and analyze information from an independent Japanese perspective. Setting aside obvious cases like China, there is the possibility that Japan may be extending major aid to a nation that is engaged in the development of weapons of mass destruction. Further, to the extent that aid targets are expanding to include human rights and democratization concepts, there will be a greater demand for detailed consideration of recipient country domestic political and security conditions.

Currently, in Japan, the collection and analysis of information of this nature is the responsibility of the Ministry of Foreign Affairs. However, that office is preoccupied with diplomatic affairs and does not have the capability to collect and analyze detailed information. Other offices which could become involved in such tasks are the Cabinet Information Research Office and the Public Security Investigation Agency, but the former is a very small organization and the latter is basically a domestic-oriented agency.

Basically, there is a need to establish an independent information agency which furnishes aid agencies with various information and advises aid agencies of the need to suspend aid whenever such action is deemed

appropriate. However, establishing such an agency in today's Japan is impossible. I think we should provide for the near term by establishing an information department within existing aid agencies and building a wide-ranging information collection network affiliated with NGO's and international agencies. Already Great Britain has an NGO which has established a network with NGO's and United Nations organizations operating in areas throughout the world and which is in the process of building a system which will provide for early discovery of the potential for refugee and regional disputes and the attendant issuance of warnings. Proceeding with aid programs on a blind basis without adequate information collection and analysis capabilities is very typical of Japan.

**Fourth, We should expand and diversify relationships between official ODA aid and NGO.** Affiliation with NGO has recently been emphasized as one link in measures to promote citizen participation aid, and NGO project subsidy systems are gradually taking hold, albeit on a limited scale. However, Japan's NGO's have not developed adequately from an organizational viewpoint, and the bureaucratic position concerning NGO's is that they merely supplement official aid programs.

At this point, I would like to make reference to a recommendation made by Hiroya Ichikawa, International Economy Department Chief of the Federation of Economic Organizations, in the February 1995 issue of the DIPLOMATIC FORUM. In that magazine, Ichikawa proposes that of the 10,000 yen per capita ODA budget, each citizen of Japan could continue to pay 10,000 yen in taxes or pay 5,000 yen to NGO's on a tax-exempt basis and pay the remaining 5,000 yen to the government. Even if such a recommendation is unlikely to see immediate implementation, such views provide a basis for formulating a drastic change in the relationship between ODA and NGO.

As an example, inasmuch as ODA involves the use of taxes collected from a large number of citizens, we must think in terms of aid doctrine which cites the largest possible public commitment to such aid, and such aid must be designed for compatibility with national interests and diplomatic strategy. However, the national government and individual citizen do not necessarily agree and at times clash head on relative to "What is aid doctrine?" and "What are national interests?" Even in this case, if Ichikawa's ideas were implemented, citizens of Japan would be given the opportunity to engage in international cooperation and it would become a case where such programs are not totally "entrusted in the hands of the government." Taking such an approach would also provide for a diversified situation in which

bureaucratic and NGO aid supplement each other at times and conflict at times.

Other issues are also conceivable. They include important matters such as the reevaluation of yen-denominated loans, new affiliations with the private sector, and additional steps to strengthen aid administering agencies.

Current spending at the 10,000 yen per capita level means that our four-member family is contributing an annual sum of 40,000 yen. Indispensable is a posture which calls for expressing one's opinions as well as paying the piper.

#### **Japan: BOJ Governor Matsushita Returns From Washington**

*OW2404032096 Tokyo KYODO in English  
0106 GMT 24 Apr 96*

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Bank of Japan (BOJ) Governor Yasuo Matsushita returned to Japan on Wednesday [24 April] morning from Washington, where he attended a series of international financial meetings.

Matsushita attended Sunday's meeting of finance ministers and central bankers from the Group of Seven (G-7) industrialized nations and Monday's meeting of the policy-making interim committee of the International Monetary Fund (IMF).

#### **Japan: MITI Decides To Hold Talks With Indonesia on Car Policy**

*OW2104130396 Tokyo YOMIURI SHIMBUN  
in Japanese 20 Apr 96 Morning Edition p 7*

[FBIS Translated Text] On 19 April, the Ministry of International Trade and Industry [MITI] decided to start bilateral consultations with the Indonesian Government on the country's "national car program," which gives favorable treatment in tariff and other fields to car makers with domestic capital. MITI is scheduled to hold bureau-chief-level talks in Jakarta on 29 and 30 April. It intends to continue bilateral consultations after the talks.

At the talks, MITI will point out problems with the Indonesian Government's "national car program" and demand that the policy be improved. It intends to reiterate that the program may run counter to the "national treatment" principle of treating both domestic and foreign capitals under the same conditions — the principle stipulated in World Trade Organization (WTO) rules.

#### **Japan: Hashimoto Vows Utmost To Bolster Economy**

*OW2404040196 Tokyo KYODO in English  
0330 GMT 24 Apr 96*

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Prime Minister Ryutaro Hashimoto told the leaders of Japan's four major business groups Wednesday [24 April] that the government will do its best to prevent the fledgling economic recovery from losing momentum, business officials said.

Noting the United States is concerned about the sustainability of Japan's economic recovery into the latter half of 1996, Hashimoto was quoted as telling the leaders, "There is no rationale for their worries as the government will do its utmost to stimulate the economy."

Hashimoto made the remark at a meeting with Shoichiro Toyoda, chairman of the Federation of Economic Organizations, Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, Jiro Nemoto, president of the Japan Federation of Employers Associations and Jiro Ushio, chairman of the Japan Association of Corporate Executives.

The meeting marked the first assembly of the leaders of all four business groups to discuss economic and political matters with the prime minister.

The four leaders urged Hashimoto to push the 75.1 trillion yen budget for fiscal 1996 through the Diet as quickly as possible to prevent the economic recovery from losing steam, the officials said.

The budget bill cleared the House of Representatives on April 11 after the opposition forced the government to compile a 50-day stopgap budget amid the fray over a government plan to use tax money to help liquidate ailing mortgage firms.

On the political front, Hashimoto pointed out the difficulty of maintaining the unity of his tripartite coalition government, but he did not drop any hints regarding the possibility or timing of calling a general election.

#### **Japan: MOF Officials Say Economy on 'Moderate Recovery Path'**

*OW2404061796 Tokyo KYODO in English  
0547 GMT 24 Apr 96*

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Regional bureau chiefs of the Finance Ministry [MOF] described Wednesday [24 April] their local economies as treading a moderate recovery path on a broad front, apart from a lingering severity in the employment situation, a ministry official said.

"All regional economies have gotten on the recovery path with public works growing sharply in the wake of the implementation of a supplementary budget for the government's September pump-priming package," the official said, summing up remarks at a two-day meeting in Tokyo from Wednesday of the heads of the ministry's 11 regional finance bureaus.

At the previous meeting in January, the local representatives concluded that signs of economic recovery were emerging on a broad front, though some regional economies remained at a standstill, the official said.

"Clearly, their economic assessment has brightened from three months ago," the official said.

Summing up the assessment prepared by the bureau chiefs for the current session the ministry said individual consumption is mildly picking up and signs of a recovery in sales at supermarkets and department stores are appearing.

The ministry said steady demand continues for durable goods such as information and telecommunications equipment, as well as some types of automobiles. Demand for overseas travel also remains firm, it said.

Employment conditions, though, are still severe despite signs of improvement in some areas, it said.

Production is on an upward trend, albeit at a mild pace, while prices are stable and interest rates are still low, the ministry said.

It said corporate profits are likely to have risen in the latter half of fiscal 1995 and are also likely to do so in the first half of fiscal 1996, thanks to increased sales, staff reductions, lower interest rates and a weakening yen against the dollar.

#### **Japan: Narita Customs Reports Rise in Gold Imports**

*OW2204044596 Tokyo KYODO in English*  
*0337 GMT 22 Apr 96*

[FBIS Transcribed Text] Narita, Japan, April 22 KYODO — Imports of gold and gold coins have risen steadily in recent months, reflecting low interests, the strong yen and financial uncertainties in Japan, according to the Narita Airport Customs Office.

The office opened the customs clearance process to the press Monday [22 April], saying imports of gold coins have been on the rise since 1994, surpassing 100,000 tons last year for the first time in six years.

Almost all Japan's gold coin imports come through the airport, with shipments of gold arriving once or twice a week, customs officials said.

On Monday alone, some 10 kilograms of gold and gold coins purchased by a Japanese nonferrous metal dealer from the United States passed through customs.

#### **Japan: Chain Store Heads Urge Review of Consumption Tax Hike**

*OW2404033696 Tokyo KYODO in English*  
*0319 GMT 24 Apr 96*

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Chain store industry leaders urged International Trade and Industry Minister Shumpei Tsukahara on Wednesday [24 April] to postpone a consumption tax increase slated for next April in order to prevent personal consumption from sliding further, a ministry official said.

The executives of the Japan Chain Stores Association filed the request in a meeting with Tsukahara over breakfast at a Tokyo hotel.

The consumption tax rate is to go up to 5 percent in April 1997 from the present 3 percent.

Tsukahara told the industry leaders that the government has already decided to raise the consumption tax three years after implementing income tax reduction in fiscal 1994, the official said.

The government lowered income and residential tax rates to reduce the total individual tax burden by 3.5 trillion yen.

Tsukahara noted the public does not appear fully informed of the timing for the tax hike, the official said.

On the present economic situation, Tsukahara said he cannot be unguardedly optimistic about the ongoing mild recovery because of the slow turnaround in the performance of small businesses and severe job market, according to the official.

The government should press ahead with deregulation and other efforts to reform the economic structure, the official quoted Tsukahara as saying.

#### **Japan: Kubo Wants To Reveal MOF Reform Plan in 'Near Future'**

*OW2404040496 Tokyo KYODO in English*  
*0354 GMT 24 Apr 96*

[FBIS Transcribed Text] Tokyo, April 24 KYODO — Finance Minister Wataru Kubo said at the Diet on Wednesday [24 April] he wants to show a plan for the much-discussed reforms of the Finance Ministry in the near future.



"I believe it is necessary to have a certain distance and tension between the industrial sector and the administrative sector. I would like to show a policy on reforms at an early time," Kubo said.

The finance minister made the remarks in response to questions at a session of the House of Councillors Budget Committee.

#### **Japan: Rengo, Business Groups Agree To Hold Decentralization Forums**

OW2304033096 Tokyo MAINICHI SHIMBUN 22 Apr 96 Morning Edition p 2

[By Kazushige Hayashi]

[FBIS Translated Text] On 21 April, Rengo [Japanese Trade Union Confederation] and business organizations agreed to actively promote the decentralization of authority from Tokyo to local levels and to hold joint symposiums in various parts of the nation, including Tokyo and Osaka, to appeal to the public. The business groups included Nikkeiren [Japan Federation of Employers' Associations], Keidanren [Japan Federation of Economic Organizations], Japan Chamber of Commerce and Industry, Keizaidoyukai [Japanese Association of Corporate Executives], and Kansai Economic Federation. Under the current circumstances, in which some government offices and business circles have intensified their opposition to decentralization, their agreement will be a help to the Decentralization Promotion Committee [DPC] (chaired by Nikkeiren Vice Chairman Ken Moroi), which spearheads the decentralization drive.

On 29 March, the DPC submitted an interim report to Prime Minister Ryutaro Hashimoto. The report characterized decentralization as the third reform following the Meiji Restoration and postwar reforms and called for drastically reviewing the traditional administrative system of centralizing power. The committee plans to compile a final report within the year and submit it to the prime minister.

Government offices have increasingly intensified their opposition to "faster-than-expected movement toward decentralization," (according to a senior government official). Some in business circles have also expressed their objection to decentralization. Citing the eased Large-Scale Retail Store Law, they claim: "There is no point promoting decentralization if local governments are allowed to set independent regulations."

Their opposition urged DPC Chairman Moroi to issue, together with the interim report, an unusual statement saying: "Deregulation and decentralization are closely connected each other. They do not confront each other."

Rengo and business organizations have given "full support" to the DPC interim report and agreed to promote administrative reform and deregulation, realize the relocation of capital function, and have the government fully respect the DPC interim report and the final report the committee plans to compile by the end of the year. From mid-April until June, they will organize forums and symposiums in such areas as Osaka, Fukuoka, Sapporo, and Niigata together with local Rengo chapters and business groups.

They will hold a main forum in Tokyo on 22 May, in which they will hear Moroi's keynote speech and adopt a petition calling for "reform of the present worn-out administrative and social system."

#### **Japan: Poll Shows Drop in Hashimoto Cabinet's Approval Rating**

OW2404014396 Tokyo KYODO in English 0122 GMT 24 Apr 96

[FBIS Transcribed Text] Tokyo, April 24 KYODO — The approval rating of Prime Minister Ryutaro Hashimoto's cabinet fell sharply from the 59 percent scored in January to 38 percent last week, the MAINICHI SHIMBUN newspaper reported Wednesday [24 April].

The MAINICHI said its latest survey shows 21 percent of respondents disapproved of the three-month-old cabinet, up from 16 percent in January shortly after the cabinet's inauguration.

The daily said the Hashimoto cabinet's approval rating was far higher than that of his predecessor, Tomiichi Murayama of the Social Democratic Party.

The new poll found that 43 percent of respondents were in favor of Hashimoto's diplomacy, 23 percent supported his leadership and 22 percent liked him for his reliability.

Asked what should be the first priority of the Hashimoto cabinet, 46 percent said economic stimulus measures, according to the MAINICHI survey.

The MAINICHI poll also found that 61 percent of respondents welcomed Hashimoto's recent summit meeting with U.S. President Bill Clinton against 28 percent who disapproved.

Asked about the Japan-U.S. Security Treaty, 52 percent were in favor and 28 percent were against. In a related question about the number of U.S. troops in Japan, 69 percent called for a reduction, 15 percent favored the status quo of roughly 47,000 troops and only 2 percent sought an increase.



The MAINICHI polled 3,009 people on April 19-21, of whom 69 percent responded.

**Japan: Coalition Government Maintains Status Quo**  
962B0067A Tokyo CHUO KORON in Japanese  
Mar 19 96 pp 62-71

[By Takashi Mikuriya, professor, Tokyo Metropolitan University: "LDP-SDPJ-Sakigake Coalition's 'Decision-Delay' Structure"]

[FBIS Translated Text]

**All that the LDP [Liberal Democratic Party]-SDPJ [Social Democratic Party of Japan]-Sakigake coalition government created was a self-inflicted stalemate. The bureaucracy has been confused, the SDPJ has failed to change, and the coalition has persisted in the conservative maintenance of the status quo. The question is, will the appointment of Prime Minister Hashimoto result in a situational change and a possible structural change?**

The Hashimoto cabinet has been inaugurated. Now that the three-party LDP-SDPJ-Sakigake coalition has been preserved and headed by an LDP prime minister and Chief Cabinet Secretary Kajiya, Prime Minister Hashimoto faces a crucial test in terms of whether or not he will be able to define the path to the formation of a genuine government different from the SDPJ-prime-minister-led cabinet. Domestic and global hope placed in the Hashimoto cabinet immediately following his appointment is of considerable magnitude. However, any change to a genuine government with executive power poses the dilemma requiring a change to the LDP-SDPJ-Sakigake structure. The question is, just how will they be able to overcome that dilemma? I would like to use this article as a basis to answer that question as we examine the factors that caused the Murayama administration to decline into a stalemate.

### **State of Three-Party Impotence**

Last year, 1995, which marked the 50th anniversary of the end of World War II, posed a situation in which we faced policy stalemates both domestically and diplomatically. Globally, the Cold War structure had ended and domestically, the 1955 political system had collapsed, leading to the definite, prevalent, and optimistic outlook for a time just before and after the Hosokawa administration that we would be able to liberate ourselves from past curses, formulate truly creative ideas and policies, and that a bright 21st century was near at hand. However, upon awakening from the fleeting excitement, reality proved itself to be very unsympathetic. We found ourselves in a transitory period plagued by confusion and symbolized by delays

in decisions and everyone casually felt nostalgia for the older days when decisions were made on a timely basis.

The question, then, is, why do we face a policy stalemate? It is a fact that we have undergone a complete change in both the level for ideas and frameworks for formulation of policies and the level of organizations and systems responsible for policies.

The end to the Cold War has diminished Japan's powerful self-awareness as a member of the Western camp which served to influence Japanese diplomacy and its strong sense of mission that called for consummation of Japan-U.S. negotiations at any cost. Now that such perceptive frameworks, which were treated as mandatory by all concerned, have been eliminated, one suffers from the illusion that Japanese diplomacy is left with many possibilities. Accordingly, even with respect to negotiations with the United States, we cannot deny a greater-than-past projection of individual judgments and value concepts on the part of politicians than was the case in the past.

Moreover, as ideas which have a direct impact on diplomacy, we see the presentation of domestically rooted democracy and environmental protection principles in the form of extremely abstract but strong and comprehensive text-book-like value concepts without any sort of modification. However, both democracy and environmental protection principles are diversified values which in their specific forms can be interpreted in many different ways. If the opposing country should assume an approach similar to Japan and engage in diplomatic negotiations using identical value concepts, we could say that that there is the potential of creating serious situations that far exceed those seen during the Cold War days.

In this sense, the fact that the Ministry of Foreign Affairs implemented a structural reform by establishing the General Policy Bureau could be said to have been based on historical necessity. In terms of the potential for Japanese diplomacy and value concepts and identities which should serve as a basis for Japanese diplomacy, the General Policy Bureau must coordinate matters within the Ministry of Foreign Affairs and serve as a major channel of communication with the Prime Minister's Residence, especially the Foreign Affairs Councillor's Office.

Indeed, politicians, bureaucrats, and the mass media acknowledge that the situation has changed in this manner, much like a mechanical response from a parrot. However, if one were to ask if such parties had a true mental understanding of the situation, I would have to say that it is extremely doubtful. I say so because actual

policy responses have led to situations which are hardly reflective of actions taken based on modified premises.

The question, then, is why are we faced with such phenomenon? Frankly speaking, despite the fact that principals, such as politicians, bureaucrats, and the mass media, attempt to respond to situations on the assumption that they themselves have changed, they feel that the other party is still unable to extract itself from old perceptions and at times have retrogressed to old attitudes. When the desired silent mutual understandings fail to take hold only to be substituted by mutual distrust, both emergency situation responses and normal situation responses result in actions which impose restraints on the other conservative party.

However, once restraints are imposed on the other party, the subsequent actions taken by the initiator of actions cannot be based on changes so as to be reflective of originality, imposing a situation in which it has no choice but to limit itself to conservative maintenance-of-status-quo actions. Moreover, mutual imposition of restraints results in a situation wherein policy responses cannot avoid being created under a state of three-party impotence.

#### **Backdrop for Stubborn Legalism**

Let us quickly and concretely discuss the Okinawa school girl rape case which is still a center of controversy. No one in Japan or the United States initially expected that the rape incident, which has its roots in the Okinawan people's opposition to U.S. military bases, would evolve into the issue of whether or not we should maintain the Japan-U.S. security system, as covered in an article titled, "Japan-U.S. Security System and Okinawa — First Installment" in the 7 November 1995 issue of the YOMIURI SHIMBUN. The question is, why has such an imbroglio been created which is focused on the Japan-U.S. Status of Forces Agreement? The cause of this situation rests with the response engineered by the Ministry of Foreign Affairs.

Having said so, I would like to qualify my statement by saying that the thought process and the response taken by the Ministry of Foreign Affairs were not totally lacking in an extraordinary quality. In fact, the ministry's response was one in which it assumed an extremely cautious approach. The ministry's opinion was, fundamentally, based on the essentials of treaty theory, the position that the Japan-U.S. Status of Forces Agreement should not be revised and, secondly, even if feelers of that nature were placed with the United States, the possibility of revisions were totally nonexistent. The modus operandi used by the ministry in prompting Chief Cabinet Secretary Koken Nosaka to quickly conduct a press interview to issue the opinion was very traditional

in format, could have precluded disputes if it had been successful in a prior age and could have led to high appraisals for the ministry as being staffed by diplomatic professionals.

However, at the present time, both the mass media and politicians of the ruling party strongly criticize the foregoing action as reflecting over-eagerness or self-righteousness on the part of Ministry of Foreign Affairs bureaucrats. However, the issue is, why did the ministry bureaucrats go to the extent of basing its presentation on the essentials of treaty theory?

The question becomes, why is it that the ministry chose to assume such a conservative stance based on such rigid legalism? We can hardly explain the approach based on generalities, such as the perpetuation of fear over the principle of demerits or legalism for the sake of legalism.

To begin with, imposition of demerits because of repetitive legalistic responses and resultant loss of Ministry of Foreign Affairs prestige are not normal phenomenon. Moreover, at one time, as could be seen among past veteran LDP politicians, being able to issue replies while speaking with tantalizing reserve and aimlessly talking through situations without ever making a commitment was accepted as a solid skill possessed by government administrators filling public positions. The question is, how should we assess foreign affairs bureaucrats who repeat the former as if they were consummate, confirmed criminals and practice the latter in a manner which precludes the listener the luxury of taking some sort of cushioning action?

Having discussed the issue to this point, the reader probably comprehends the situation. The ministry took the foregoing stance, because of its underlying vague cautionary sentiment and distrust of the SDPJ prime minister-led coalition government. And, such stance was probably not unreasonable. Just until two years ago, the SDPJ, which had sharply clashed with the then-LDP government with reference to the security treaty and the Self-Defense Forces (SDF), reversed its past policies on a so-called external basis based on motivation to seek government power, but this was not an action taken internally after convincing itself of its course of action on the basis of logic. Thus, it is only reasonable that it is viewed as having the possible potential of returning to its old socialist ways at any time.

This being the case, whenever an issue arose, it was only reasonable, in a sense, for the Ministry of Foreign Affairs to brief the SDPJ prime minister and chief cabinet secretary on legalism and fundamentals in a nervous and stubborn manner not displayed during the LDP government days. The approach called for

imposing strict guidelines that could withstand some relaxation, which the SDPJ prime minister and chief cabinet secretary were expected to exercise.

In reality, the Prime Minister's Residence, occupied by the prime minister and chief cabinet secretary, has constantly coordinated itself with SDPJ and mass media trends as if the SDPJ was ready to return to its old socialist ways. This was true with its statements on the Status of Forces Agreement as well as the Japan-Korea Annexation Treaty. The approach was the same with the issue of dispatching SDF personnel to the Golan Heights to join the peacekeeping operation (PKO), which we will discuss later in this article. That being the case, as far as the foreign ministry bureaucrats are concerned, it would not be strange for them to secretly render the self-appraisal that there was nothing strange about persisting in legalism and fundamental principles.

### It Boils Down to a Human Issue

However, such rigid responses on the part of foreign ministry bureaucrats were looked upon with greater suspicion on the part of the LDP executive department than on the part of the SDPJ. Such is the case because even the LDP exercises the self-awareness that it has changed based on its affiliation with the SDPJ as part of the coalition government. In an interview with this writer on 6 November 1995, LDP Secretary General Koichi Kato made the following explicit statement. If the recent incident had occurred under the 1955 political system, the SDPJ "in favor of withdrawing from the security treaty and sympathetic to the victims" and the LDP "in favor of maintaining the security treaty and disregarding the victims" would have unmistakably engaged in a sterile confrontation. However, under the LDP-SDPJ-Sakigake coalition government, the LDP assumed the position of "reviewing the Status of Forces Agreement and being sympathetic to the victims," while the SDPJ made concessions by assuming the position of "reviewing the Status of Forces Agreement on the premise of maintaining the security treaty." He said the consensus arrived at on the security treaty is of major significance.

We definitely face the situation in which politics have changed, but it appears that government remains unchanged and incapable of responding intelligently. Irritation on the part of Secretary General Kato in that sense is justified in terms of why doesn't the foreign ministry bureaucrats change when the LDP has undergone change? However, although we spoke of a coalition government, when the LDP retreated to the background and the SDPJ became the master of the Prime Minister's Residence, the government in reality had no choice but to alter itself. In other words, in the LDP

government days, the prime minister and a very compatible chief cabinet secretary formed a close team, but now that was not the case, the government's briefing style had to be completely altered in both quantitative and qualitative terms. Briefings now had to cover every conceivable detail and the fear existed that problems would arise unless the prime minister and chief cabinet secretary team were coached on the timing of government releases and techniques for handling actual releases.

It can be said that it was only natural that such demands relative to discharge of ministry responsibilities led to the argument for expanding the roles of the "five cabinet offices," such as the Foreign Affairs Councillor's Office and the Security Office located in the Cabinet Secretariat. In other words, this was not a case of expanding the Prime Minister's Residence in the interests of strengthening a strong prime minister, but a case of strengthening the Prime Minister's Residence in an administrative sense so as to eliminate frailties on the part of a weak prime minister even to a modicum degree. In other words, the expanded offices would be responsible for receiving information from the Ministry of Foreign Affairs and other ministries in the raw and refining that information for use by the prime minister and the chief cabinet secretary, so the offices could play roles similar to that filled by so-called key assistants to the *shogun* of the Edo Era.

Basically, the argument for expanding the Prime Minister's Residence was inspired by its untimely response to the Osaka-Kobe earthquake. Yukio Okamoto, former department chief in the Ministry of Foreign Affairs, wrote an article based on his personal experience in connection with a California earthquake which was published in the ASAHI SHIMBUN on 20 January 1995, three days after the Osaka-Kobe earthquake, as follows:

"As far as I know, advanced industrialized nations do not assume the leisurely type of approach taken recently wherein the National Land Agency director general conducts an air survey of the quake area 10 hours after the tremors and a report is submitted to the cabinet a day later to determine emergency responses. Of foremost importance is that directives exist which prescribe responsibilities of action officers and the specific actions each will undertake.

"Response to an unpredictable, major incident depends, most importantly, on the personal qualities possessed by the national leader himself. Bureaucratic organizations are huge and it is difficult to issue decisions within the limited initial deployment phases. The question is, can the prime minister perceive such major national disasters as emergency situations on an quasi-instinctive ba-



sis and issue immediate instructions pertaining to relief? It will not suffice for the nation to depend on leadership which passively and routinely determines policies after waiting for bureaucratic recommendations and merely recites textual material prepared by bureaucrats.

"Television continued to relay scenes of destruction reminiscent of wartime and burning structures in Kobe beginning right after the earthquake. The fact that that earthquake was a historical disaster was obvious to everyone from the very beginning. Logically, I felt the prime minister would have canceled his regular schedules and assumed on-site command of the situation, but I was surprised when I heard of his official schedule published at a later date. It was a direct reflection of how limited his sense of urgency was in the first two days after the earthquake."

Okamoto has clearly and appropriately described the state of functional paralysis which exists on the part of the prime minister and the Prime Minister's Residence in connection with crisis management in the event of an outbreak of an emergency situation. In looking at the circumstances surrounding the Prime Minister's Residence in connection with the Osaka-Kobe earthquake, one arrives at the conclusion that that it would make no difference even if the prime minister's systemic authority were reinforced. I say so because the ultimate focus is on whether or not a political decision is made, which after all boils down to the question of human reaction on the part of the prime minister.

#### Politicians Who No Longer Change

Speaking of humans, there is the famous phrase, "Presidency makes President." As individuals assume responsibility in higher positions, they gradually assume the qualities appropriate for such positions. In other words, positions make people, and people change as they are enlightened by applicable responsibilities. Politicians and bureaucrats change as they undergo career progression. One former bureaucrat reminisced that his vision expanded as he climbed the career ladder. I would dare say that the foremost reason for the current policy stalemate rests with the fact that politicians responsible for policy as well as bureaucrats have ceased to be enlightened as well as undergo the process of change.

Among prime ministers who served under the 1955 political system in a capable manner, there was Nobusuke Kishi, Hayato Ikeda, Eisaku Sato, Kakuei Tanaka, and Yasuhiro Nakasone, each of whom possessed individually powerful and characterizing personalities which underwent change through the process of exercising virtual influence. This particular point is articulated in the book titled, "Politicians and Bureaucrats" published by Kodansha and written by Masaharu Gotoda who served

both Prime Ministers Tanaka and Nakasone and who had himself converted from bureaucrat to politician, as quoted below:

"The question is why did Prime Minister Tanaka and Prime Minister Nakasone exercise so much authority? The reason is that they exercised political power and not statutory authority. Such political power is reflected under the parliamentary cabinet system and derives from the position of ruling party president of a government controlled by a single political party. Accordingly, the influence exercised by Tanaka and Nakasone consisted of real influence which did not derive from statutory authority."

At the same time, Gotoda comments on Kiichi Miyazawa who was prime minister just before the collapse of the 1955 political system by saying, "With respect to exercising real influence transcending statutory authority, he probably did not reach the scope exercised by Tanaka and Nakasone." In a 25 November 1995 issue of the ASAHI SHIMBUN, Miyazawa is quoted as saying to reporter Takeshige Kunimasa, "Today's leaders are unable to conduct themselves gallantly as if they were knights charging forward on a white horse. A somewhat radical analogy would be that the Japan Railway Yamate Loop Line in Tokyo operates efficiently on a day-to-day basis. It doesn't matter who is actually operating the trains, especially for the passengers."

Is this a case where politicians and bureaucrats, especially those who are leaders, have all become Japan Railway train "engineers?" We must describe this story as a truly clever one, typical of Miyazawa, used to comment on a temporary phenomenon of a transitory phase. In any event, if politicians and bureaucrats have assumed the role of Japan Railway "engineers," it is no longer possible for them to undergo the process of change. As Gotoda unexpectedly commented, the reason is that politicians' motivations are virtually based on political influence emanating from single-party rule and a stable ruling party. Further, even LDP Secretary General Kato in an interview with this writer stresses the essentiality of a stable ruling party system for policy formulation and execution.

Now, the question is, what should be the relationship between politicians and bureaucrats? In this connection, Gotoda refers to the weapons technology supply issue in relation to the United States which occurred during the Nakasone cabinet days to clearly illustrate the point. The past policy that precluded the supply of not only weapons but weapons technology to the United States was changed based on a political decision and the framework of the "Mutual Defense Assistance Agreement"



in conformance with a position taken by Prime Minister Nakasone and Chief Cabinet Secretary Gotoda contrary to a legal position taken by the Cabinet Legislation Bureau. However, Cabinet Legislation Bureau Director General Reiji Kakuta was opposed to the policy change. The following quotation provides a vivid description of how the issue was resolved in the words of Gotoda himself:

"Kakuta. This is not something on which you should take an opposing position, to which Kakuta replied, 'Yes, but you'll have to expect to undergo parliamentary interpolations on this issue.' To which I answered, I will not have you acting in my behalf on parliamentary interpolations. I will handle that chore. This is a policy change and transcends the authority of the Cabinet Legislation Bureau. The Cabinet Legislation Bureau is responsible for seeing that laws do not violate the constitution, that inconsistencies are not created among laws, and the review of laws. Policy review does not fall under your jurisdiction."

"Kakuta appeared to be unhappy. However, he seemed to sense the intensity of my determination and accepted my position under the condition that I would handle parliamentary interpolations. He himself was basically and seriously determined to fully discharge his duties as a government official. In such instances, it is necessary for politicians to alter government official responsibilities in an appropriate manner."

The foregoing would have to be referred as a spectacular professional performance of political duties. It is reflective of a situation which cannot be visualized with a Prime Minister's Residence occupied by an SDPJ prime minister, who could not screen information without the upgrading of the "five offices of the cabinet secretariat" in the form of staff support and who was totally dependent on the bureaucratic system.

### Ways To Change Bureaucrats

However, I will not take the position that no problems exist with bureaucrats who are asked to take actions. To begin with, today's bureaucrats don't have the elbow room to think of major issues such as national interests. Additionally, they are restricted in this respect, because they face an advancing situation which gives them no choice but to think "ministry interests equal national interests," albeit such is a faulty perception. This situation reflects a close, inseparable relationship with the issue of how the globalization of Japan affected the ignominiously vertically subdivided structure of the Japanese bureaucratic system. Judging from the common understanding that "external pressure had changed evil Japanese customs," most people would probably assume that

globalization pressures logically altered Japan's vertically structured systems.

However, reality shows that this was not the case. There was a time in the past as often seen in Washington wherein the ministry which asserted authority to handle negotiations on a priority basis would exclude other ministries, which had negotiating authority, from diplomatic negotiation arenas and deprived them of information, but such a situation is no longer conceivable. Naked interministry conflicts, which misconstrued other ministries of one's own nation as the enemy, have vanished from the scene. An alternative to such interministry conflicts has taken the form of a peaceful coexistence system which has been introduced to the diplomatic negotiating scene.

It is called the joint chairman system. As an example, starting with the Structural Impediments Initiative talks and including the current Japan-U.S. comprehensive talks, representatives from the Ministries of Foreign Affairs, International Trade and Industry, and Finance serve as joint chairmen with equal standing and weight, while representatives of the Ministries of Foreign Affairs and International Trade and Industry serve as joint chairmen in connection with the Asia Pacific Economic Cooperation conferences. The joint chairman system based on a friendly coexistence approach is definitely the smartest way to go to provide for a systemic resolution to interministry struggles.

However, perhaps this approach has given birth to the paradox wherein ministry interests are reinforced for the sake of coexistence. On the other hand, have we not postponed resolution of other serious interministry issues? or will not we be forced into the situation where all issues are resolved under the easy approach of compromise? In any event, since we have not established other new approaches to resolving issues, there is the risk that intraministry issues will take priority. The result may be that we will see the disappearance of debate which considers Japan's national interests.

However, under current conditions, it may sound truly paradoxical, but unless we convince ourselves that ministry interests equal national interests, we will probably see the gradual disintegration of ethos which represent the very heart of the bureaucratic system. In this respect, there is nothing productive about the current mass media criticism of the bureaucracy. Of special note is that today's government councils have been made an issue because former bureaucrats formerly of the administrative vice minister and bureau director general-class serve as council members and council chairpersons to represent ministry interests. They are the cancer of ministry interests and vertically structured ministries, resulting in

a loud chorus demanding their removal. I don't intend to refer to Aesop's fables about the north wind and the sun, but such unilateral mass media criticism will only lead to increased false obedience on the part of bureaucrats and the solidification of ministry interests. Such will not result in a desirable situation.

LDP Secretary General Kato in an interview with this writer has said that the solution to the foregoing issue rests with how individual politicians understand the position wherein it is reported that 70 to 80 percent of the work done by bureaucrats is correct and that the remaining 20 to 30 percent is in error. Put another way, even the mass media should properly evaluate the 70- to 80-percent portion, and provide proper coverage of good policies. Each professional group should express itself from the standpoint of its own position, such as politicians as politicians and the mass media as the mass media, and not from the same perspective as bureaucrats.

Moreover, bureaucrats are of the same ilk in their inability to be enlightened and to undergo the process of change. Of particular significance is that former bureaucrats are no longer able to undergo the process of change as they did in the older days.

In prewar days, former bureaucrats could seek appointment to positions as House of Peers parliamentarians and Privy Councillors, and those who wished to assume positions accompanied by responsibility for party politics could become House of Representatives parliamentarians. Among them, there were those who were former employees of the Ministries of Foreign Affairs, Home Affairs, and Finance and who embraced the self-awareness they were part of the ruling elite in a broad sense, thus undergoing the process of change for the purpose of once more participating in one facet of managing the nation as former bureaucrats.

Even after World War II, a well known fact is that Shigeru Yoshida recruited a massive number of former bureaucrats to serve as parliamentarians and until the 1960's many former bureaucrats continued to seek appointment to the House of Representatives and the House of Councillors, winning appropriate privileges as part of the ruling elite as long as they won election. However, as the LDP progressed in establishing its particular system, we witnessed an increase in second-generation parliamentarians and concurrent intensified systemization of support groups, resulting in the gradual disappearance from the political scene of former bureaucrats who embraced the perception of being part of the ruling elite. On the other hand, as post-retirement employment with affiliated organizations became an established practice, former bureaucrats found

themselves facing a dilemma wherein they could not disengage themselves from ministry interests.

Accordingly, it would be best that we seek the services of individuals among ex-bureaucrats, who are broad visionaries and capable of exercising a certain degree of influence over other ministries and agencies, in a liaison capacity covering government functions which fall between bureaucratic and political zones. As examples of such arrangements where individuals, such as Nobuhiko Ushiba and Saburo Oki, who served as non-parliamentarian ministers of state, and Takekazu Ogura, who transcended ministry demarcation lines and served as the head of a government-affiliated agency. We need to take an approach wherein we do not exclude individuals imbued with ministry interests and vertically structured concepts, but contrarily provide for an environment in

### SDPJ Fails To Change

In discussing the issue of undergoing change on the part of politicians and bureaucrats, we must expand our thoughts to the actual circumstances under which the SDPJ has failed to change. In review the situation in which the SDPJ was unable to undergo change. In this connection, we will discuss their involvement in the issue of Japan's participation in PKO activities in the Golan Heights as covered in an ASAHI SHIMBUN article of 26 August 1995.

The LDP-SDPJ-Sakigake ruling three-party system maintains a policy decisionmaking system in the way of a Foreign Affairs Coordination Conference composed of two representatives from each of the coalition parties. The chair of this conference is rotated every two months. This is much like the monthly rotation of elder statesmen in the former feudal government of the Edo era. Moreover, as part of the supreme objective of preserving the coalition government, the three parties each exercise equal authority in the management of conference affairs. Accordingly, this arrangement translates into disproportionate representation on the part of the SDPJ and Sakigake Party as opposed to the LDP, because of the smaller number of parliamentarian seats occupied by the two former parties. This situation is much like the interministry equal-authority joint chairmanship system previously mentioned.

However, the issue of dispatching the SDF based on the PKO Law was supposed to have been resolved by assuring that the proposed conditions were in conformance with the law, but it resulted in being a case where the issue was subjected to a political decision based on the views of the ruling party and the government survey team. If we were speaking of issuing an eminent

political decision or executing a bold policy change, taking such action per se would not warrant treatment as a special problem. This can be readily understood if one would glance back at the previously mentioned case concerning Masaharu Gotoda. In reality, handling of the Golan Heights troop dispatch issue took from June 1994 when government officials began consultations until January 1995 one-half year later when ruling party coordination began. Moreover, in May, the SDPJ Central Executive Committee expressed the view that it was premature to dispatch SDF personnel to Golan Heights and the ruling party decision was postponed once more.

The Ministry of Foreign Affairs and LDP perspective of this situation would have to clearly mean none other than one in which it will expend labor and time to convince the SDPJ of the necessity for troop dispatch. Moreover, this was a situation in which SDPJ intra-party turmoil would be repeatedly ignited through exposure to proposals for changes in ideologies and policy relative to the PKO, SDF, and Article 9 of the constitution. Accordingly, this was a situation in which it would be gratifying if the SDPJ would make itself a full-fledged ruling party member, even at the risk of creating SDPJ intraparty turmoil. However, the situation has always deteriorated into a stalemate. The constitution preservation group within the SDPJ would always persist in its opposition to SDF dispatches. In contrast, the SDPJ Central Executive Committee would attempt to survive each situation through the use of truly make-shift tactics, while basically persisting in its negative attitude towards SDF troop dispatches, in its attempt to maximize delays in decisionmaking. Avoidance of decisions logically translates into the avoidance of responsibility.

Moreover, the SDPJ special Central Executive Committee meeting on the morning of 25 August failed to conduct a discussion of substance and as usual used the political logic concerning the preservation of the ruling party as the supreme cause for arriving at a decision. Needless to say, I should probably make special mention of the fact that the Ministry of Foreign Affairs lobbied each of the concerned parliamentarians.

However, constant decision suspensions and postponements and repetition of political arguments in support of maintaining the current government are the same as compulsory opportunities made available at the initiation of a government, giving the impression that more weight must be given to those in opposition to the preservation of the constitution if debates are held on a purely logical basis, a situation which is not at all desirable. In other words, the reason is that it will create a situation in which clean theory is unqualifiedly

overtaken by dirty reality. In that sense, once again, we cannot eliminate the possibility of the SDPJ returning to its old socialist ways. Quite contrarily, the SDPJ will finally have abandoned the prime minister's post without undergoing the process of change into becoming a genuine member of the ruling party.

### **For the Purpose of Realities of Perception Reform**

In this article we have reviewed the current state of policy stalemate in connection with an examination of foreign affairs bureaucrats, the LDP, the principle of ministry interests, and the SDPJ. As a result, it seems we have come to feel that there is a need in the near term for perception reform before system or organizational reform. The reason is that as stated at the outset of this article, politicians, bureaucrats, and the mass media are unable to extricate themselves from a state of three-party impotence. It seems that the three parties in each case finds it difficult to expose itself to enlightenment and the process of change. And, they blame each other reciprocally relative to responsibility for the policy stalemate. What must be feared in the diplomatic area is that while the three parties blame each other for the situation in a do-nothing state, associated foreign nations will abandon us. Whichever nation we may refer to, such nation will analyze the other nation's negotiating principal and methods, and follow with a decision on diplomatic strategy. However, if the other nation is unable to analyze Japan's policies and strategies no matter how hard it tries, it will deal with us with methods and strategies peculiar to that nation. Such dealings with Japan may cause Japan itself to feel, "They handle us in a very arrogant way." What awaits us in such a situation is probably nothing other than panic.

Avoidance of such a situation will probably require us to resolve the issue of three-party impotence. Put another way, whether or not we will be able to resolve the situation will depend on whether or not we can undergo perception reform with the awareness that we ourselves as well as the other party has undergone change. In such instances, we must not forget basic rules and it is critical that we return to the basic situation in which we fell victim to three-party impotence. The question is, what comprised the basic situation? In the last general election, the basic situation comprised the formation of the Murayama government which none of the public desired. However, it is inconceivable that the decision-delay framework established within the LDP-SDPJ-Sakigake triangle will quickly change because of the birth of the Hashimoto cabinet. In fact, now that the SDPJ no longer controls the prime minister's post, it might find itself at peace in transforming itself into an opposition party within the ruling party. Now that



matters pertaining to the assumption of responsibility for dirty realities has been shifted from the SDPJ to the LDP, the party which had felt obligated to suppress its clean ideologies will probably sense emancipation and feel free to return to old socialist party ways. In that sense, the SDPJ and Sakigake may once again bathe in the psychological ecstasy that they sensed when they shifted from the Hosokawa government to the Hata government.

Breaking out of political policy stalemate on the part of the new Prime Minister's Residence team of Hashimoto-Kajiyama will require them to take a bold step like the Hosokawa-Ozawa team. However, taking that bold step may result in the collapse of the LDP-SDPJ-Sakigake framework and a split in the LDP itself. The reason is that the perception that the LDP has changed because of the establishment of the LDP-SDPJ-Sakigake framework is in no way a temporary expediency. However, if the Hashimoto cabinet should forget this fact and proceed without change, it will face the same fate as the Murayama cabinet and the LDP will once again forfeit the opportunity to change into a genuine ruling political party.

The issue is very simple and there is no other choice but to proceed with a dissolution and general election. On the other hand, there was a time in Japan when the atmosphere was depressed by transitory cabinets which chose to defer decisions. It was during the 1930's after the 15 May Incident when Minoru Saito and Keisuke Okada chose not to face dissolution and general elections over a period of three years and two cabinets as mentioned in the article titled, "Reputation of Tsunemichi Baba — 4th Installment — Bipartisan Cabinet and Political Party" written by myself and published in the 39th issue of ASUTEON. Everyone should be aware of the situation in which the fixed parliamentary seat allocation of 300 seats for the Seiyukai and 140 seats for the Minseito caused the creation of a persistent condition wherein the respective political principals suffered from impotence resulting in the ultimate gradual decline transforming into a sudden decline and eruption of the 26 February Incident.

Thus, realization of perception reform to resolve the issue of three-party impotence calls for dissolution and general elections at the earliest date possible. Persistence on the part of the LDP and SDPJ in preserving the LDP-SDPJ-Sakigake framework has precluded a change to a desirable status for over 18 months. I feel it is urgent that we ask the public for a vote of confidence as a way of returning politics to a healthy road.

**Takashi Mikuriya:** Born 1951. Graduate of Tokyo University Law School. Professor of Tokyo Metropolitan

University. Books authored include "Formation of Meiji Era Nation and Regional Management" and "Government Concerned With Tokyo Metropolis Plan."

#### **Japan: Firms Expected To Open Shipbuilding, Steel Ventures in Burma, SRV**

*OW2204050996 Tokyo KYODO in English  
0352 GMT 22 Apr 96*

[FBIS Transcribed Text] Tokyo, April 22 KYODO — Mitsui Engineering and Shipbuilding Co. and Mitsui and Co. will establish a shipbuilding company in Myanmar [Burma] and a steel structure construction company in Vietnam, jointly with local companies, respectively, a Mitsui spokesman said Monday [22 April].

In Myanmar, the two Japanese companies will tie up with state-run shipbuilding company Myanmar Shipyards in Yangon [Rangoon], and will establish the joint venture sometime this summer, the spokesman said.

Negotiations are in the final stages and the partners are talking about 12 million dollars for capital of the planned company. The two Mitsui companies are likely to invest 60 percent of the capital, with the Myanmar side placing 40 percent, he said.

The new shipbuilding company is planned to have a construction capacity of 20,000-ton class ships within five years, the spokesman said.

In Vietnam, the two Mitsui companies will join hands with state-run Bridge Construction Company, Thang Long Bridge Construction Corp, to establish Mitsui Thang Long Co. in May or June at the earliest, he said.

The steel structure construction venture will be capitalized at 6.5 million dollars, of which Mitsui Engineering will place 36.3 percent, Mitsui and Co. 33.3 percent and the Vietnamese partner 30.4 percent, the spokesman said.

#### **Japan: KDD To Provide Engineering Service to PRC, Indonesia**

*OW2304150996 Tokyo KYODO in English  
1146 GMT 23 Apr 96*

[FBIS Transcribed Text] Tokyo, April 23 KYODO — Japan's overseas telecommunications giant KDD said Tuesday [23 April] it will provide network engineering service to telecom carriers in China and Indonesia.

The Tokyo-based company said it has concluded a memorandum on the extension of service with posts and telecommunications administrations in Beijing, Shanghai and Guangdong and with Indosat, Indonesia's international telecommunications carrier.



Under the memorandum, the company said it will help the partners establish a framework for providing customers with total support in building corporate telecommunications networks in Asia.

When service providers expand their operations to areas with rising demand for telecommunications services, they often seek support in such areas as research on local regulations and procedures for the import and installation of telecommunications facilities, and management of construction of telecommunications facilities.

To meet the needs of such customers, KDD has decided to share its know-how on corporate telecommunications with overseas telecommunications carriers, the company said.

The company said it plans to provide such support to other carriers in Asia, including Thailand and Malaysia.

**Japan: Sumitomo Electric Cuts Cost of Making CPU Heatsinks**

OW2204072296 Tokyo KYODO in English  
0617 GMT 22 Apr 96

[FBIS Transcribed Text] Tokyo, April 22 KYODO — Sumitomo Electric Industries Ltd. has found a way to cut by 30 percent the production cost of heatsinks used to protect high-clock-speed central processing units (CPUs) and other semiconductors, a company spokesman said Monday [22 April].

A heatsink is a shaped mass of metal that is used to absorb and dissipate heat. The conventional technology involves carving heatsinks out of a rectangular block of tungsten alloy that contains copper with high thermal conductivity.

In the process of cutting and milling, a lot of expensive tungsten is wasted.

The new technology involves pressuring and solidifying tungsten particles of only 2 to 3 microns across into the shape of the heatsink inside a precision metal mold.

After this process, the shaped particles are made into a solid mass by heating inside a hydrogen-filled furnace.

The new process will enable Sumitomo Electric to reduce overall costs by eliminating the carving and milling process for tungsten alloy, the spokesman said.

**Japan: Supermarkets Expected To Join Rice Retail Market**

OW2304070496 Tokyo KYODO in English  
0618 GMT 23 Apr 96

[FBIS Transcribed Text] Tokyo, April 23 KYODO — Major supermarket and convenience store operators are expected to join the rice retail business, intensifying

competition in the market, government officials said Tuesday [23 April].

The officials at the Food Agency said major retailers will register as rice sellers with prefectural governments toward the end of this month.

They said about 16,000 licensed retailers have registered since the beginning of April.

Under the new Food Control Law, which took effect last September, the licensing system for rice distribution was replaced with a registration process, allowing places such as chain stores and gas stations to retail and wholesale rice.

The officials said major supermarket operators are expected to register with the agency toward the end of this month, when registrations will be closed.

Seven-Eleven Japan Co., the largest convenience store operator in Japan, said it plans to retail rice through its nationwide network of 6,400 stores.

Daiei Convenience Systems Co. affiliated with Japan's top supermarket chain operator Daiei Inc. has also announced plans to enter the rice retail market.

Major general trading houses, including Mitsubishi Corp., said they have already registered as rice wholesalers, although details of marketing plans have yet to be worked out.

Shinmei Co., a major rice wholesaler based in the western port city of Kobe, said it will expand its operations to other prefectures.

**North Korea**

**DPRK: Radio Reports 20-21 Apr DPRK-U.S. Missile Talks in Berlin**

SK2304225996 Pyongyang Korean Central  
Broadcasting Network in Korean  
2100 GMT 23 Apr 96

[FBIS Translated Text] The delegations of the DPRK and the United States of America held negotiations on the missile issue in Berlin on 20 and 21 April 1996. At the negotiations, the sides comprehensively [pogwalchoguro] discussed matters of mutual interest, with the nonproliferation of missiles as a main issue. The negotiations will continue.

**DPRK: Vice Marshal: DPRK Took 'Self-Defense Measure' To Deter War**

SK2404092696 Pyongyang KCNA in English  
0919 GMT 24 Apr 96

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — "It is only too natural that we took a self-defensive

measure some time ago to deter a war beforehand and defend peace and security in face of the worst situation in which the outbreak of war has been made a matter of time on the Korean peninsula," said Vice-marshal Kim Yong-chun, chief of the General Staff of the Korean People's Army (KPA), today in a report delivered at a national meeting to mark the day of the Army.

He reiterated the combat preparedness of the KPA to hold in check any sudden attack of the enemy in time and wipe them out by means of an immediate and annihilating counter-offensive.

He denounced the U.S. military conservatives for continuously bringing means of war including missiles and nuclear weapons into South Korea and its surroundings for war against the North, thus intentionally rendering the situation strained. "But, they are trying to shove off the responsibility for the strained situation on the Korean peninsula to the DPRK, charging it with posing 'missile threat'," he said, describing it as a preposterous act.

"In response to the acute situation prevailing in the country, the men and officers of the people's Army, youths, students and other people are filled with the fighting spirit to become sharp-edged bayonets, rifles and bombs and smash the enemy at a stroke once the respected supreme Commander Comrade Kim Chong-il issues an order," he said, declaring that "if the South Korean puppet clique persist in inciting division and confrontation and unleash a war defying the North's repeated warnings, our Army and our people will thoroughly annihilate the enemy and root out the source of war on the Korean peninsula."

#### **DPRK: SKNDF in 'Underground Struggle' To Mark Kim Il-song Birthday**

SK2404040296 *Pyongyang KCNA in English*  
0237 GMT 24 Apr 96

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The Central Committee of the National Democratic Front of South Korea (NDFSK) [SKNDF], its provincial committees and fighting organisations under it held significant meetings even under difficult conditions of underground struggle to commemorate the birthday of the great leader President Kim Il-song [KIS], according to radio Voice of National Salvation from Seoul.

This was confirmed by the Central Committee of the NDFSK in its April 21 information.

The meetings fully demonstrated the singlehearted wishes of the vanguard fighters of the NDFSK and patriotic-minded people from all walks of life for immortality of the fatherly leader President Kim Il-song

and their unshakable will to carry out his behests on reunification.

The meetings held on April 14 and 15 highly praised the undying exploits of President Kim Il-song, who demonstrated the dignity and honor of the nation to the whole world by defeating two formidable imperialisms in one generation.

They adopted letters to the respected Comrade Kim Chong-il, the lodestar of national reunification and the distinguished leader of the nation, representing their firm determination to remain loyal to him, holding President Kim Il-song in high esteem for all ages.

And they organised colorful events in accordance with their actual conditions including seminars on works of President Kim Il-song and the respected General Kim Chong-il, lectures, reading sessions on the reminiscences "With the Century" and oath-making meetings.

Meetings commemorating the 84th birthday of the respected leader President Kim Il-song, which were held by the NDFSK and all segments of patriotic-minded people in the teeth of double and treble repression, fully demonstrated at home and abroad that no bayonet-brandishing or anti-communist campaign can emasculate or smash the strong faith and loyalty and filial piety of the vanguard fighters of the NDFSK and the South Korean people, who are advancing along the road of anti-American, anti-dictatorial and national salvation struggle as indicated by the sun of chuche, the information stressed.

#### **DPRK: Kim Yong-sam's Meeting With Opposition Leaders Denounced**

SK2404050696 *Pyongyang Korean Central Broadcasting Network in Korean*  
1225 GMT 22 Apr 96

[Commentary by Yun Pyong-son: "A Crafty Trick Designed To Escape Isolation"]

[FBIS Translated Text] Strange moves have been emerging in South Korea following the 15th puppet National Assembly elections. The hooligans of the New Korea Party [NKP], assessing the outcome of the elections as a victory, voters' call for new politics, and the like, clamored that they would make their best in finalizing reforms. On the other hand, traitor Kim Yong-sam, after meeting with opposition party leaders such as Kim Tae-chung and Kim Chong-pil whom he has regarded as political enemies, noisily clamored that he had exchanged views with them on the overall state affairs and the like.

This is a crafty trick designed to recover the shattering defeat in the elections and to maintain and prolong his power by soothing the deteriorated public sentiment.

As is known, in the elections, the NKP hooligans won only 139 seats, which is far short of the majority. To make things worse, among the so-called successful candidates of the NKP, about 40 candidates have been booked or have been under investigation on charge of violating the election law. As is clearly proven by this, the current election was a fraudulent and corrupt election which mobilized all sorts of government power, monetary power, and violence. Furthermore, only 63 percent of the total eligible voters took part in the election.

The lowest voting rate such as this, which is unprecedented in the history of elections, shows that the South Korean people have completely turned their backs on Kim Yong-sam and the NKP which have been wantonly carrying out only antipopular and antinational politics.

This notwithstanding, the rascals are preposterously clamoring about victory, the people's will, and the like in a bid to assess the outcome of the election in their favor. Indeed, the rascals are shameless.

What is more preposterous is that during the meetings with opposition party leaders, traitor Kim Yong-sam babbled about clean politics, politics to make the people lead a peaceful life, and the like to show as if he were considering a plan for new politics.

The Kim Yong-sam ring has been clamoring about politics for the people, new politics, and the like since it took power. Since it took power, however, the Kim Yong-sam ring has been frantically perpetrating the acts of relying on outside forces, flunkeyist and treacherous acts, fascist repression, national division, and war provocation maneuvers. Thus, it has turned South Korea into a colonial and military base for outside forces, into a site where fascism prevails, and into a human hell.

It is only too clear that the NKP, an antipopular political party—which is not different at all from the past Democratic Justice Party under Chon Tu-hwan and No Tae-u, the headquarters of irregularities, corruption, and slaughter—cannot carry out politics for the people, that is, new politics.

That traitor Kim Yong-sam and the hooligans of the NKP are clamoring about as if they were doing something in the interest of the people while casting an amorous glance at them with sweet words is a crafty scheme aimed at taking the initiative in politics.

The Kim Yong-sam ring can bring nothing to the South Korean people. Therefore, the South Korean people can expect nothing from the Kim Yong-sam ring.

No one presents freedom and democracy. Freedom and democracy should be won only through struggle. The South Korean people will achieve without fail their aspirations and demands by more vigorously unfolding the struggle to end the colonial and fascist rule and to establish an independent, democratic regime with united strength under the banner of independence, democracy, and reunification.

**DPRK: Group Urges 'Strict Judicial Actions' Against Chon, No**

*SK2404040696 Pyongyang KCNA in English  
0242 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — Members of the May 18 Kwangju-South Cholla Provincial Joint Measure Committee in South Korea staged a demonstration on April 22 in demand of the probe into the truth behind the May 18 Kwangju democratic movement and strict judicial actions against traitors Chon Tu-hwan and No Tae-u, according to a radio report from Seoul.

In a statement, they charged that those responsible for the May 18 massacre are making false statements and justifying their crimes even in court.

They demanded that a strict judicial action also be made against the very one who commanded the May 18 massacre on the spot.

**DPRK: 'Murderous' Civilian Regime in South Decried**

*SK2404044496 Pyongyang KCNA in English  
0349 GMT 24 Apr 96*

["Kim Yong-sam Regime Branded as Murderous One" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The Kim Yong-sam fascist clique have recently killed six students including No Su-sok of Yonsei University. This clearly indicates that the "civilian"-veiled regime of South Korea is a heinous fascist murderous regime, says the press here today.

A news analyst of NODONG SINMUN has this to say:

The continuous death of hopeful, righteous-minded students was caused by the Kim Yong-sam group, who hate democracy and do not hesitate in man-hunting.

As a village with a mad dog cannot live in peace, so the South Korean people cannot live in peace with the Kim Yong-sam fascist group left alone.



The traitor Kim Yong-sam's group of heinous fascists and murderers must be overthrown without delay so that the South Korean students and other people may avoid the same fate as the fallen students.

The South Korean students will more courageously wage the noble struggle to overthrow the Kim Yong-sam regime as demanded by the fallen students.

A news analyst of MINJU CHOSON says:

Blood should be paid for blood. The tragic death of students should be revenged a thousandfold.

**DPRK: Assaults on Chongnyon Members in Japan Denounced**

*SK2304142996 Pyongyang Korean Central Broadcasting Network in Korean  
1223 GMT 17 Apr 96*

[Commentary by Yun Pyong-son: "The Product of the Anti-Republic Hostile Policy"]

[FBIS Translated Text] Cases of assault on Korean students residing in Japan have recently taken place in Japan one after another. According to reports, on 12 April, a gangster insulted and beat a 16-year-old Korean student with a wooden knife at the (Ikebukuro) station in Tokyo, seriously injuring the student. In (Tokushin Tamagawa) Prefecture, a middle-aged gangster violently pushed a young Korean girl student inside a train. Prior to this on 11 April, gangsters tore up a 12-year-old Korean girl's skirt with knives in Saiku Prefecture.

These are a direct expression of the deep-rooted national exclusivism, which has dominated the brains of the Japanese rightist gangsters. Such crimes can never be tolerated.

Disdaining and despising other nations is a chronic bad habit of the Japanese rightist reactionaries. In the past, the bad habit made the Japanese imperialists force our people to become colonial slaves for a long time, more than 40 years. Today, the rightist gangsters make it their business to insult and commit terrorist attacks on Koreans residing in Japan.

What is worse is that the rightist gangsters' crime is openly being protected and ignored by the Japanese authorities. In view of the historical background for which Koreans have come to live in Japan, and of international laws and norms, the Japanese authorities have the legal and moral responsibility to protect them. Nevertheless, the Japanese authorities are doing nothing to stop the rightist gangsters' crimes.

In August and September of 1995, the rightist gangsters swarmed into the Central Hall of the General Association of Korean Residents in Japan [Chongnyon] and

raised hell with loudspeakers, using violent language saying that they would destroy the hall and kill all Chongnyon members, and that Korean rascals should leave Japan. It is well known that they assaulted Koreans residing in Japan and even shot Koreans, seriously injuring them.

However, the Japanese authorities only said that they would take steps to ensure such incidents would not happen again, but they actually did not take any action. The rightist gangsters' assault cases were committed under such ignorance and protection. This is a product of the Japanese reactionaries' anti-Republic and anti-Chongnyon hostile policy.

Korean compatriots in Japan are citizens of our Republic residing overseas. Any problem in the attitude toward them is the problem in the attitude toward our Republic. Terrorist attacks and hostility against them is a provocation against our Republic. We regard the violence committed by the Japanese rightist gangsters as a provocation against our solemn Republic and a national insult. We sternly denounce this.

The Japanese authorities frequently talk about the resumption of talks on normalizing DPRK-Japan ties. However, talking about the resumption of talks does not go with ignoring the violence of the rightist gangsters committed inside Japan. Our consistent position is to seek friendship with the Japanese people. The Japanese Government authorities should take the necessary steps to ensure that hostile acts against Koreans residing in Japan and Chongnyon never happen again, and should prepare a thorough legal measure to protect them.

If provocation and terrorist attacks against Chongnyon and Koreans in Japan continue on the Japanese land despite our repeated warnings, thereby hindering the improvement of relations between the peoples of the DPRK and Japan, the Japanese Government should take full responsibilities for all due consequences. We will keep closely watching the development of the incidents taking place in Japan.

**DPRK: Chongnyon Delegation, Visiting Groups Arrive 22 Apr**

*SK2204121596 Pyongyang KCNA in English  
1120 GMT 22 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — A delegation of officials of the General Association of Korean Residents in Japan (Chongnyon) led by Vice Department Director of the Chongnyon Central Standing Committee Mun Sam-pong, a home-visiting group of students of Korean University of Chongnyon, home-visiting groups of Korean students in Japan and the



260th home-visiting group of Korean Residents in Japan arrived in Wonsan today by the ship Mangyongbong-92 for a visit to the socialist homeland.

**DPRK: International Lawyers Group Adopts Resolution on Korea**

*SK2204054596 Pyongyang KCNA in English*  
*0459 GMT 22 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — A resolution on Korea was adopted at the 14th meeting of the International Association of Democratic Lawyers held in South Africa some time ago.

It said that the meeting took note of the "agreement on reconciliation, non-aggression, cooperation and exchange between the North and the South" already adopted between the North and the South of Korea and expressed support to the reunification of Korea through confederacy.

The meeting laid stress on the necessity to abolish the "National Security Law" of South Korea and urged the South Korean authorities to release or repatriate those who have been detained or denied return to their hometowns after they were taken prisoner during the Korean war, the resolution noted.

The meeting evinced support to the demand of the Korean lawyers that the Japanese authorities make adequate apology and compensation in connection with the issue of the "comfort women for the army."

**DPRK: Kim Kwang-chin Attends Cocktail Party for Cuban Victory**

*SK2004043996 Pyongyang KCNA in English*  
*0430 GMT 20 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA) — Arnaldo Fernandez Rodriguez [spelling of name as received], military attache of the Cuban Embassy here, arranged a cocktail party on April 19 on the occasion of the 35th anniversary of the victory of the Cuban people in the Playa Giron Battle.

Present on invitation there were Kim Kwang-chin, first vice-minister of the People's Armed Forces, generals and officers of the Korean People's Army and military attaches of foreign embassies here.

Speeches were made at the cocktail party.

**DPRK: Togo-Korea Friendship Development Association Formed 11 Apr**

*SK2104055496 Pyongyang KCNA in English*  
*0547 GMT 21 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 21 (KCNA) — The Togo-Korea Friendship Development Association was formed on April 11 on the occasion of the birthday of the great leader President Kim Il-song.

Liwab Sambiani, minister of labour and public function, was selected chairman of the association upon the authorisation of Togolese President Gnassingbe Eyadema.

Esoanang Komlang Paka [spelling of name as received], member of the National Executive Bureau of the Togolese People's Rally, was selected secretary general of the association.

**DPRK: Pakistani Party Delegation Leaves Pyongyang 20 Apr**

*SK2404014696 Pyongyang Korean Central Broadcasting Network in Korean*  
*1300 GMT 20 Apr 96*

[FBIS Translated Text] A delegation of the Pakistan People's Party (Hinduz) led by Secretary Shamin N.D. Khan left Pyongyang for their country by airplane on 20 April. The delegation was sent off at airport by Kim Yang-kun, vice director of a department of the Central Committee of the Workers Party of Korea.

**DPRK: Foreign Minister Greets Equatorial Guinean Minister**

*SK2204101296 Pyongyang KCNA in English*  
*0909 GMT 22 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — DPRK Foreign Minister Kim Yong-nam sent a message of greetings to Miguel Oyono Ndong Mifumu on his reappointment as the minister of state for foreign affairs and cooperation of Equatorial Guinea.

The message expressed deep thanks for his solidarity message supporting the DPRK's new proposal for durable peace and reunification of the Korean peninsula and belief that the friendly and cooperative relations between the two countries would continue to develop on good terms in the future, too.

**DPRK: Korea-Syria Friendship Gathering Held in Pyongwon County**

*SK2404040096 Pyongyang KCNA in English*  
*0239 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — A friendship gathering was organised on the Korea-

Syria Friendship Wonhwa Cooperative Farm in Pyongwon County, South Pyongan Province, on April 23 on the occasion of the 50th anniversary of the independence of Syria.

It was attended by members of the Korea-Syria Friendship Association, farmers of the farm, Anwar Al-fadel, charge d'affaires ad interim of the Syrian Embassy in Korea, embassy officials and Syrian students studying in Korea.

The participants deepened the feelings of friendship, singing songs and talking with each other.

**DPRK: Books From DPRK Presented to Council of Workers of Mexico**

SK2204032696 *Pyongyang KCNA in English*  
0229 GMT 22 Apr 96

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — A ceremony for presenting books of the Democratic People's Republic of Korea was held at the building of the National Council of the Workers of Mexico on April 15 on the occasion of the birth anniversary of the great leader President Kim Il-song.

At the ceremony, the DPRK ambassador to Mexico handed immortal famous works of President Kim Il-song and the great leader Comrade Kim Chong-il to the chairman of the council.

Those present at the ceremony saw the DPRK film "Grand Celebrations of the 80th Birthday of the Great Leader Comrade Kim Il-song."

**DPRK: WPK Hosts Dinner for Visiting Mexican Party Delegation**

SK2404044096 *Pyongyang KCNA in English*  
0346 GMT 24 Apr 96

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The Central Committee of the Workers' Party of Korea [WPK] gave a dinner for the visiting delegation of the Mexican Workers' Party on Tuesday.

Speeches were exchanged at the dinner.

In his speech, Alberto Anaya Gutierrez, member (leader) of the Coordination Commission of the National Political Commission of the party, said: "We will take this opportunity to deepen fraternity and friendship with the Workers' Party of Korea in the joint struggle for socialism and humankind."

The delegation's visit means the first official meeting between the two parties, but it is a most important opportunity in the struggle of the Mexican Workers' Party for Socialism and Democracy, he added.

He noted that the Democratic People's Republic of Korea has firmly maintained the line of independence in politics, self-sufficiency in the economy and self-reliance in national defence and pushed ahead with the revolution and construction so that a firm foundation has been laid for reliably defending socialism and accomplishing its cause.

The former Soviet Union and east European socialist countries have collapsed, but the Democratic People's Republic of Korea has made tremendous world-startling achievements in socialist construction under the wise leadership of the people's great leaders Comrade Kim Il-song and Comrade Kim Chong-il, he said, adding that this shows socialism is the only way of providing the people with freedom and happiness.

The Mexican Workers' Party takes the *chuche* idea as its main guiding principle, he said, stressing that his party will further develop friendship and solidarity with the Workers' Party of Korea.

Present on the occasion were Hyon Chun-kuk, a department director of the WPK Central Committee, and other officials concerned.

**DPRK: Kim Chong-il Receives Telegrams From Foreign Party Leaders**

SK2004041596 *Pyongyang KCNA in English*  
0402 GMT 20 Apr 96

[Spelling of names as received]

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA) — The great leader Comrade Kim Chong-il received telegrams from Chitta Bash, general secretary of the Central Committee of the All-India Forward Bloc; Francisco Dissaxi, chairman of the Social Communist Party of Angola; Jermano Luis Pascoal, chairman of the Angolan Unity Party for Democracy and Progress; Baptista Andre Jose Simao, chairman of the Communist Community Party of Angola; Ali Houdou, general secretary of the Construction Workers' Party of Benin; and Peter Persaud, leader of the Amerindian Action Movement of Guyana, on the occasion of the birth anniversary of the great leader President Kim Il-song.

The telegrams said that the great exploits of President Kim Il-song, who founded the immortal *chuche* idea and devoted his whole life to the independence and freedom of the country and happiness of the people, will be immortal with the history of humankind.

They expressed the belief that the revolutionary cause pioneered by President Kim Il-song will be successfully carried forward and completed under the wise leadership of Comrade Kim Chong-il.

They wished Comrade Kim Chong-il a long life in good health.

Comrade Kim Chong-il also received a message from the Central Committee of the Romanian Communist Party on President Kim Il-song's birthday.

**DPRK: Kim Chong-il Thanks Units, Officials, Workers, and Students**

SK2204031096 *Pyongyang KCNA in English*  
0227 GMT 22 Apr 96

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — The great leader Comrade Kim Chong-il extended thanks to officials of the Kumya County, South Hamgyong Province, Committee of the Workers' Party of Korea, the people of the county, Yi Sun-yong, a lecturer of the Trade Union Committee of the Kaechon Railway Bureau, Kim Il-ung, a postgraduate of the Doctoral Institute of Kim Il-song University, and other units, officials, working people and students for setting examples in helping the People's Army.

He also extended thanks to party members and working people who took part in the discovery and arrangement of the Grand Yongmun Cavern, a natural cave of multifarious wonders caused by limestone water through dissolution and corrosion for tens of millions of years.

**DPRK: Kim Chong-il Sends Thanks to Officials, Workers**

SK2304040196 *Pyongyang KCNA in English*  
0304 GMT 23 Apr 96

[FBIS Transcribed Text] Pyongyang, April 23 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to the Trade Union Committee of the External Service Bureau of the Administration Council and its employees, officials and employees of the Central Zoo, Chang Chol-ho, officer of the Kilju County Security Department of North Hamgyong Province, and officials and workers of other units for giving full play to communist traits.

He also sent thanks to agitators of the Komdok Mining Complex for making achievements in agitation contest in hearty response to the call of the Workers' Party of Korea for living and working in the spirit of the "arduous march" and to working people for actively assisting the production of nonferrous minerals.

**DPRK: Foreign Military Attaches Give Kim Chong-il Floral Basket**

SK2404035196 *Pyongyang KCNA in English*  
0232 GMT 24 Apr 96

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The great leader Comrade Kim Chong-il received a floral basket and a congratulatory letter from the corps of foreign military attaches here on the occasion of the 64th anniversary of the foundation of the Korean People's Army.

The floral basket and congratulatory letter were handed to Minister of the People's Armed Forces Choe Kwang by military attache of the Vietnamese Embassy Tran Thuc, doyen of the corps, on April 23.

On the occasion the doyen stressed that the Korean People's Army has grown up as the invincible revolutionary armed forces to defeat any aggressor at one stroke since it was founded by the great leader Comrade Kim Il-song and that the Korean people and People's Army are now united firmer around Comrade Kim Chong-il in one mind than ever before.

He said they are convinced that the Korean people will win the final victory.

**DPRK: Pyongyang Textile Workers Pledge Loyalty to Kim Chong-il**

SK2104060596 *Pyongyang KCNA in English*  
0557 GMT 21 Apr 96

[FBIS Transcribed Text] Pyongyang, April 21 (KCNA) — A meeting of the working people in Pyongyang to make a resolution of loyalty was held on Saturday [20 April] to mark the 35th anniversary of the brilliant guidance of the great leader Comrade Kim Chong-il to the Pyongyang Textile Machine Plant.

Comrade Kim Chong-il visited the plant in the spring of 1961, at which he ran the lathe No. 26 and set a noble example in the management of the equipment and warmly led workers to discharge their responsibility and role as the masters of the country, the masters of production and equipment.

The speakers said at the meeting, which was held at the plant, that as the model machine movement started to follow the respected general Kim Chong-il's example set during the historic guidance to the plant fully reflected the unanimous aspiration and desire of the workers and other working people, it was rapidly expanded to all domains and all units of the national economy, and is playing a great role in educating them in loyalty to the party and the leader and powerfully promoting production and technological development.



### **DPRK: Kim Chong-il Receives Telegrams From Foreign Party Leaders**

*SK2404051396 Pyongyang KCNA in English  
0230 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The great leader Comrade Kim Chong-il received telegrams from foreign party leaders on the occasion of the birth anniversary of the great leader President Kim Il-song.

They came from Chea Sim, chairman of the Central Committee of the People's Party of Cambodia; V.I. Anpilov, chairman of the executive committee of the "Working Russia" Movement; Nina Alexandrovna Andreyeva, general secretary of the Central Committee of the All-Union Communist Party of Bolsheviks; Victor Voichita, chairman of the Romanian Party for New Society; Alberto Moreno, general secretary of the Central Committee of the Communist Party of Peru (Red Motherland); Wycliffe Morton, general secretary of the Labor Party of St. Kitts-Nevis; and Llewelyn John, leader of the People's Democratic Movement of Guyana.

They highly praised the immortal exploits performed by President Kim Il-song for the Korean revolution and the independence of the world.

They hoped that Comrade Kim Chong-il will achieve victory in the work of leading the struggle of the Korean people for the socialist construction, the reunification of the country and for the defence of national independence and sovereignty.

### **DPRK: 'Many New Books' Mark Kim Il-song's Birthday**

*SK2004114196 Pyongyang KCNA in English  
0926 GMT 20 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA) — Publishing houses of Korea brought out many new books on the occasion of the birth anniversary of the Great Leader President Kim Il-song.

The Workers' Party of Korea Publishing House issued "Kim Il-song's Works" Vol. 43 and "Kim Il-song's Complete Works" Vol. 14.

The 43rd volume contains 36 works published by the president from January 1991 to October 1992, and the 14th volume 66 works published by him from July 1951 to April 1952.

The Working People's Organisations Publishing House issued "Holy Mountain of Great Sun," reminiscences written by an official who assisted the president at his side.

The author remembers the great leadership traits of the president and describes Mt. Paektu of Korea as a home where the president spent his youth holding the red flag of revolution high and as a holy mountain of the revolution and of the sun where he performed shining exploits for the country and the people.

The full-length novel "Trust" published by the Literature and Art Press Group is set against the middle of the 1960s and based on the worthwhile labor of workers and technicians in the shipbuilding industry of Korea who build cargo ships with creative wisdom and energy to live up to the deep trust of the president.

The Foreign Language Press Group published in foreign languages "Kim Il-song's Selected Works" Vol. 8, which contains his famous works published from January 1978 to November 1981, and the pictorial "the Kumsusan Memorial Palace."

The Industrial Press Group and the Kum Song Youth Publishing House also brought out books to mark the president's birth anniversary, April 15.

### **DPRK: Overseas Groups Lay Baskets Before Portraits of Kim Il-song**

*SK2204053096 Pyongyang KCNA in English  
0456 GMT 22 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 22 (KCNA) — Foreign figures laid floral baskets and flowers before portraits of the great leader President Kim Il-song on the occasion of his birth anniversary.

Leaders of political parties and members of the chuche idea study groups in Madagascar, representatives of the People's Democratic Unity Party of Jordan, the Jordanian Committee for Solidarity With the Korean people and the Jordan Centre of Youths for the Study of Independence and members of the Lahore, Pakistan, Group for the Study of Kimchongilism called at the DPRK Embassies in their countries, laid floral baskets and flowers before portraits and pictures of President Kim Il-song and made bows in deep respect.

A meeting of presenting portrait-badges of President Kim Il-song took place at a mechanised brigade of the National Army of Zimbabwe on April 10.

### **DPRK: Mexican Party Delegation Visits Kim Il-song Statue**

*SK2404040396 Pyongyang KCNA in English  
0240 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The delegation of the Mexican Workers' Party led by Alberto Anaya Gutierrez, member of the Coordination Commission of the National Political Commission

of the party who is also the leader of the party, and newly-appointed Colombian ambassador to Korea Alvaro Escalon Villa on April 23 visited the statue of the great leader President Kim Il-song on Mansu Hill.

They laid flowers and made bows before it.

**DPRK: History of Korean People's Army Featured**  
*SK2404101396 Pyongyang KCNA in English*  
*0906 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — The proud history of the Korean revolution has recorded a course of 64 years covered by the Korean People's Army (KPA), its invincible Armed Forces.

The great leader President Kim Il-song founded the anti-Japanese Guerrilla Army (AJGA), the first revolutionary Armed Forces of Korea, on April 25, 1932 to restore the country from the Japanese imperialists, and declared a war against them to the whole world.

Though it had no state-backing rear base nor regular army's support, the AJGA waged a bloody fight of 15 years against the Japanese Imperial Army one million strong, with the unique guerrilla tactics created by President Kim Il-song, and at last achieved the restoration of the country.

The Korean People's Army, inheriting the glorious traditions of the anti-Japanese armed struggle, strengthened and developed into regular revolutionary Armed Forces in a short period after the national liberation in August 1945.

In the fatherland liberation war period (June 1950-July 1953) the U.S. imperialists and the South Korean puppet clique mobilized troops of 15 satellite countries and poured over 20 billion dollars of military spendings to stifle the young Democratic People's Republic of Korea in its cradle.

The KPA defeated the allied forces of imperialism by displaying mass heroism and matchless self-sacrificing spirit and won the great victory.

After the war, it firmly defended the security of the country and sovereignty of the nation, smashing all the continued provocative moves of the enemy at every step.

It has developed into more invincible Armed Forces since the great leader Comrade Kim Chong-il was acclaimed as its supreme commander.

KPA soldiers have been trained to be a-match-for-a hundred combatants, who are capable of rapidly carrying out their duty in any circumstance or condition, with curious and superb tactics, excellent marksmanship and strong physical strength. They are firmly resolved to carry out to the last the orders of their supreme

commander, even through fire and water and regard it as great honor to dedicate their youth and lives to this end.

The armament and combat capacity of all services and arms have been considerably increased and material and technical preparations made enough to reliably guarantee the safety of personnel and equipment from the enemy's strike.

Indeed, the Korean People's Army has grown to be invincible ranks without a parallel in the world in traits and military power.

"Let us become rifles and bombs to defend the respected Supreme Commander Comrade Kim Chong-il with our lives!" This is the KPA soldiers' slogan of faith at present.

**DPRK: Youth, Students, Servicemen Mark KPA Anniversary**

*SK2404043896 Pyongyang KCNA in English*  
*0341 GMT 24 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 24 (KCNA) — A joint meeting of youth and students in Pyongyang and soldiers of the Korean People's Army (KPA) was held at the Central Youth Hall on Tuesday to mark the 64th anniversary of the heroic KPA.

The youth and students warmly congratulated the servicemen for firmly defending the country.

Chang Yong-chol, first secretary of the Pyongyang municipal committee of the Kim Il-song Socialist Youth League, said the youth and other people of Korea are pushing ahead with socialist construction under the red flag of revolution in face of the obstructions of the imperialists because the heroic KPA under the wise leadership of the respected General Kim Chong-il is firmly defending the security of the country.

DPRK hero Kim Sang-hun, a general of the KPA, urged the youth and students, the younger generation, to foil the enemies' desperate attempt at provocation of a new war and, if the enemies unleash a war, to fight as valiantly as befits the youth of heroic Korea, shouting "long live General Kim Chong-il" so that they may welcome him in marshal uniform on the platform of a rally hailing national reunification.

A joint art performance of servicemen and civilians was given at the meeting.

The participants sang the song "We Will Defend the Headquarters of Revolution With Our Lives" renewing their commitment to become a fortress and shield to defend with their lives the great General Kim Chong-il, who represents their destiny and future.

**DPRK: Kim Il-song Order Awarded to Local Security Departments**

*SK2204071396 Pyongyang Korean Central Broadcasting Network in Korean  
2100 GMT 13 Apr 96*

[FBIS Translated Text] The Order of Kim Il-song was conferred to the Public Security Department of Chungkuyok, Pyongyang, and the Public Security Department of Kosong County, Kangwon Province. Members of these public security departments have not only grown up to become groups faithful to the party and the revolution by vigorously waging the three revolutions—ideological, technological, and cultural—under the party's leadership, but have also greatly contributed to resolutely safeguarding and defending the nerve-center of our revolution and to firmly defending the security of our socialist fatherland and people by firmly building the material and technological foundation of the departments and by improving and strengthening their public security work.

A meeting to confer the Order of Kim Il-song was held at the units concerned on 12 April. Comrade Paek Haknim, public security minister and vice marshal of the Korean People's Army [KPA]; functionaries concerned; KPA general officers; and public security members attended the meetings to confer the order.

At the meetings, the Order of Kim Il-song was conferred following the reading of the DPRK Central People's Committee's decree on awarding the Order of Kim Il-song to the Public Security Department of Chungkuyok, Pyongyang, and the Public Security Department of Kosong County, Kangwon Province.

Discussions were held at the meetings. A letter of pledge to the respected and beloved supreme commander Comrade Kim Chong-il was adopted at the meetings.

**DPRK: 100-Hectare Saltern Built in Chongju City**

*SK1904134496 Pyongyang KCNA in English  
0802 GMT 19 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA) — A new saltern of 100 hectares has recently been built in Chongju City, North Pyongan Province.

As a result, the city can meet the need for salt with its own production and increase the production of consumer goods with salt as raw material.

The saltern began production some days ago. Half of the output of the saltern is more than enough for the city.

The city carried out the saltern project with its own efforts by building the main dyke extending 1,000

metres, disposing of 50,000 cubic metres of earth and finishing nearly 10,000 cubic metres of rubble work in a little more than a year.

**South Korea**

**ROK: Article on ROK 'Apprehension' About DPRK-U.S. Contacts**

*SK2304150196 Seoul HANGUK ILBO in Korean  
23 Apr 96 p 6*

[Article by Washington correspondent Yi Sang-sok: "Are U.S.-North Korea Relations Improving Too Quickly?"]

[FBIS Translated Text] As the United States has resumed its contacts with North Korea, which it had refrained from doing during the parliamentary elections in the ROK, some people in the ROK are again voicing concern that the North Korea-U.S. relations are improving quickly.

Seoul's apprehension about the signs of rapid detente between Washington and Pyongyang is raised because of numerous rumors of unofficial or secret contacts between the two countries, in addition to the official contacts.

North Korea and the United States are making frequent contacts at a time when North Korea has withheld its decision on whether it accepts the proposal for four-party talks. This is why the ROK Government is concerned about the North Korea-U.S. contacts.

However, officials of the Clinton administration stress that one should not attach special significance to the North Korea-U.S. contacts because they were originally scheduled to be held before the parliamentary elections. Commenting on the report that North Korea and the United States seek to hold high-level talks to normalize relations next week, a U.S. State Department official said on 21 April: "North Korea-U.S. contacts are merely part of bilateral communications which have continued in New York since the nuclear agreement was signed in Geneva. I do not know anything about the talks to normalize U.S.-North Korea relations."

Commenting on the speculation that the Armistice Agreement may have been discussed during the missile talks in Berlin, another administration official says that "the United States has no reason to push North Koreans because we have already placed the ball in the North Korean court."

However, frequent North Korea-U.S. contacts surely are burdensome to the ROK, which wants to use the improvement of the relations as an instrument to facilitate four-party talks.



The ROK is jittery about a seminar on the North Korean economy which opened in Washington on 22 April. Leading a six-man delegation, Kim Chong-u, vice chairman of the State External Economic Affairs Commission, is attending the seminar, which is one of the annual seminars sponsored by the "Gaston Sigur Institute" of the George Washington University (Director Kim Yong-chi).

During its stay in Washington, the delegation plans to meet U.S. officials and strongly ask them to further ease the U.S. economic sanctions against North Korea. How the United States will respond to the North Korean request will be significant.

Following this, a North Korean delegation composed of some seven officials, led by Chon Kyong-nam, vice chairman of the Overseas Compatriots Commission [as published], who is a vice minister-level official, will attend a seminar sponsored by the North American Christians Association (Chairman Pak Han-sik, professor of Georgia University). The seminar will open at the Carter Center in Atlanta, Georgia on 26-27 April. This delegation's itinerary is less interesting because the visit had been widely known even before the ROK and the United States advanced the proposal for four-party talks.

Attention has focused on the activities of Robert Carlin, State Department section chief for Northeast Asia, who secretly visited Pyongyang for five days, on 16-20 April. Some U.S. Administration officials say that the purpose of his visit to North Korea was to have a preliminary consultation for negotiations on the control of missiles and other weapons of mass destruction.

However, some people say the United States has sent him to North Korea to look at the flood damage in order to give additional assistance, given the fact that Steve Linton, director of the Eugene Bell [name as transliterated] Foundation, who had led the campaign to give flood assistance to North Korea, accompanied him.

He has worked as an analyst of the situation on the Korean peninsula for the past 22 years. He made a five-day visit to North Korea in late February. A Korean peninsula expert in Washington said: "How can the ROK Government be indifferent when an expert on intelligence on North Korea visits Pyongyang once a month?"

**ROK: U.S. Confirms U.S.-DPRK 'Secret Contact' on Four-Way Talks**

SK2304234496 Seoul KBS-1 Radio Network  
in Korean 2300 GMT 23 Apr 96

[Report by Washington-based correspondent Cho Sun-hyong]

[FBIS Translated Text] The U.S. State Department stated that it held a secret contact with North Korea on the four-way talks and that North Korea had showed a positive attitude toward this.

Glyn Davis, deputy spokesman for the U.S. State Department, confirmed on 23 April that the United States held a secret working-level contact with North Korea in New York on 19 April and that the secret contact was a question-and-answer session in which the U.S. side answered questions posed by the North Korean side regarding the four-way talks.

Deputy spokesman Davis then stressed: The North Korean attitude is interpreted to be a positive sign. However, the United States is waiting for a firm expression of North Korea's position on accepting the four-way talks.

Deputy spokesman Davis said that the United States repeatedly asked North Korea to accept the four-way talks during the recent contact, and added: Whether the two sides will continue to have such secret contacts is uncertain, but the United States will make efforts to answer any question North Korea may have regarding the four-way talks.

In this regard, a source in Washington stated: The U.S.-North Korea secret contact on the four-way talks were held between Christenson, deputy chief of the U.S. State Department Korean Section, and Han Song-yol, minister counsellor to the North Korean Mission in the United Nations.

This is the first time that the United States has officially stated that it is holding secret contacts with North Korea to persuade North Korea to accept the four-way talks.

**ROK: Kim Chong-u, U.S. Officials To Hold 'Informal Meetings'**

SK2404005196 Seoul YONHAP in English  
0034 GMT 24 Apr 96

[FBIS Transcribed Text] Washington, April 23 (YONHAP) — The vice chairman of North Korea's External Economy Commission, Kim Chong-u, is scheduled to hold a series of informal meetings with officials of the Departments of Commerce and the Treasury as well as state beginning Wednesday, an American official involved in North Korean affairs said Tuesday.

Kim has been here to attend a seminar on economic cooperation on the Korean peninsula sponsored by a George Washington University research institute, which ended Tuesday.

Another U.S. official took note of the fact that Kim, a key economic official in the North, is having contacts with the Commerce and Treasury Departments after restrictions on U.S. exports to North Korea have been virtually eased additionally.

A vice director of the North Korean Workers' Party, Yi Chong-hyok, is also visiting the United States later this week to attend a seminar in Atlanta sponsored by the Carter Center, the official said.

Yi and his team have been invited to visit the United States by Korean-American scholar Pak Han-sik and a Christian organization in the United States, he added.

Yi may meet with former President Jimmy Carter, according to the source.

The successive visits to America by Kim and Yi could be regarded as part of the North's strategy to "stir up" the United States, the official explained.

#### **ROK: U.S. Official To Visit DPRK 'for a Couple of Weeks'**

SK2404020396 Seoul YONHAP in English  
0156 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — A United States State Department official will fly to Pyongyang Friday to observe the spent nuclear fuel rod storage in compliance with the nuclear framework agreement reached between North Korea and the United States in 1994, Foreign Ministry Spokesman So Tae-won said Wednesday.

Stephanie Eshelman from the Office of Korea, who is in charge of North Korean economic affairs, will remain in North Korea for a couple of weeks to observe the storage procedures at the Yongbyon nuclear facilities, So said.

The spokesman denied allegations that Eshelman will be involved in political talks with North Korean officials about the proposed four-way talks among South and North Korea, the United States and China to discuss a permanent peace agreement for the Korean peninsula.

It will take about 10 months for the North to finish storing the 8,000 spent fuel rods, according to the spokesman.

#### **ROK: PRC's Role in 'Four-Way Talks' Viewed**

SK2404091696 Seoul HANGUK ILBO in Korean  
23 Apr 96 p 6

[Article by reporter Kim Pyong-chan: "Will the PRC Play an Active Role in the Four-Way Talks?"]

[FBIS Translated Text] An active role by the PRC is necessary to ensure the success of the four-way talks regarding the Korean peninsula. The power relations in Northeast Asia, as well as North Korea-PRC relations, however, seem to be complicating the PRC's position.

Up to now, North Korea has reacted ambiguously to the proposal for four-way talks by saying "it is reviewing the feasibility of the talks," whereas the PRC has yet to provide a clear answer to this question. Through a personal letter written by President Jiang Zemin and commentaries released by Foreign Minister Qian Qichen and ministry spokesman Shen Guofang, the PRC has merely expressed a wait-and-see attitude and repeated its position of supporting the proposal in principle by saying that the PRC "basically agrees," "will play a constructive role," and "will cooperate following negotiations between the South and North Korean authorities."

In particular, while the PRC's reference to "negotiations between the South and North Korean authorities," is in favor of the ROK's position, it also indicates that the PRC feels it cannot force North Korea into action, an indication which took North Korea into account.

ROK Government authorities and many North Korea experts believe North Korea and the PRC have been actively holding secret dialogues to coordinate their positions following the proposal for four-way talks. The following eminent figures who are well versed in North Korean and Chinese affairs, respectively, are expected to be involved: Hyon Chun-kuk, director of the International Department of the Workers Party; Chu Chang-chun, North Korean ambassador to the PRC; DPRK Ambassador to Cambodia Song Ho-kyong (who was summoned back to Pyongyang following the counterfeit dollar incident); and Du Bingwei of the Modern International Affairs Institute under the PRC State Council.

It is also believed that upon being notified of the proposal for four-way talks through Indonesia, North Korea reconfirmed this with the PRC.

A government authority said: "The PRC will take no action in advance until North Korea expresses its official position." He added: "In current North Korea-PRC relations, North Korea has a wide range of means of

negotiating with the PRC, while the PRC has many obstacles."

That is, North Korea may stress its geopolitical importance to the PRC, including its relations with Taiwan, ethnic minorities living in border areas, and its relations with the United States, and use this as a leverage, whereas the PRC has no available means to pressure North Korea.

Both North Korea and the PRC are well aware that if North Korea strengthens its relations with Taiwan and makes its anti-PRC line official, the PRC's position would be weakened, and commotion among ethnic minorities would deepen. The PRC is also concerned about the possibility that rapid progress in North Korea-U.S. relations may make North Korea part of the U.S. sphere of influence on the PRC.

As a matter of fact, China's influence on North Korea has weakened since Kim Il-song died and the former changed its socialist line following its economic opening-up.

Although the PRC is a party to the Armistice Agreement, the PRC accepted North Korea's demand for the withdrawal of the PRC Army delegates from the Military Armistice Commission in Panmunjom.

However, with each passing day North Korea has further lessened its reliance on China in carrying out its diplomatic activities. For instance, North Korea sent a trade delegation to Taiwan from 13 to 20 March; it also received a Russian vice premier-level delegation from 10 to 12 April.

An In-hae, a professor at the National Unification Institute, said: "The PRC has embraced North Korea as far as political affairs are concerned, even after it opened up its economy." She added: "We should be aware that it is too early to expect a direct role by the PRC Government in the four-way talks."

**ROK: PRC Asked To Persuade DPRK To Respond to 'Four-Way Talks'**

SK2404121996 Seoul MUNHWA ILBO in Korean  
24 Apr 96 p 1

[FBIS Translated Text] The ROK and the PRC held the third Policy Planning Consultative Council meeting in Seoul on 24 April, and coordinated views on the four-party talks, proposed by the presidents of the ROK and the United States.

Cho Won-il, director of the Diplomatic Policy Office of the ROK Foreign Ministry; and Zheng Jinjong, director of the Policy Research Department of the PRC Foreign Ministry, attended the meeting as senior delegates.

The ROK delegation reportedly called on the PRC to actively persuade North Korea to accept to the four-party talks.

In response, the Chinese delegation reportedly reconfirmed the existing position that the issue concerning a peace mechanism on the Korean peninsula should be solved through dialogue between North and South Korea, the parties concerned, and expressed its intention to participate in the four-party talks in case North and South Korea agree.

The two countries also exchanged opinions extensively on such pending diplomatic issues as the security situation in East Asia and bilateral cooperation in the Asia-Pacific region.

**ROK: PRC Said Not To 'Spare' Effort for Realizing 'Four-Way Talks'**

SK2404070596 Seoul YONHAP in English  
0653 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — China will not spare any effort to persuade North Korea to accept the proposal for four-way talks between South and North Korea, the United States and China which was proposed by Seoul and Washington last week to help establish a permanent peace agreement for the Korean peninsula, a Foreign Ministry official quoted Chinese officials as saying Wednesday.

Deputy Foreign Minister for Policy Planning Cho Won-il quoted the Chinese officials as saying that "China will not spare its efforts for the materialization of the four-way talks and will do its best to help assist in realizing the talks."

Cho was briefing reporters on the outcome of the meeting between Seoul and Beijing's chief policy planners which was held at the Foreign Ministry Wednesday morning. Cho's Chinese counterpart was Zheng Jinjong, head of the Department of the Policy Planning of the Chinese Foreign Ministry.

"My understanding is that China has a firm willingness to take part in the quadrilateral peace talks," Cho said. "It will be natural, however, for North Korea to express its own official position on the four-nation talks before we enter negotiations with the countries concerned."

The chief policy planner dismissed speculations that China is not in a position any more to exercise its influence over North Korea, saying that South Korea considers China a country which can still exercise a "useful amount of exercise" over North Korea.

The Chinese delegation shared the view that establishing a stable channel for direct contacts between South and



North Korea is essential for a permanent peace regime on the Korean peninsula.

During the meeting, the Chinese side suggested that South Korea wait until the time is right before proceeding with the four-way talks, suggesting that the current situation is not right for inter-Korean talks.

The Chinese officials were also quoted as proposing that South Korea approach the issue of quadripartite talks from a long-term perspective, noting that the talks are aimed at coming up with a long-term solution.

Pledging that China will do its best to maintain peace and stability in Northeast Asia, the Chinese also said that they did not want any instability to adversely affect the dynamic economic upsurge in Northeast Asia.

Taking note of the Asia-Europe meeting (AEM) and the Asia Regional Forum (ARF), among others, the two sides shared the view that countries in the Asia-Pacific region are tending to move toward reconciliation and cooperation in regional security issues despite the fact that they have some territorial disputes.

They also expressed the view that chances are slim for a large-scale military conflict in the region, according to Cho.

With regard to the North Korean leader Kim Chong-il, the Chinese officials did not agree with reports on Kim's health problem or any other signs of leadership failure, noting that Kim recently made public appearances and reorganized the North Korean military leadership.

#### **ROK: China's Role in 'Four-Way Talks' Viewed**

SK2404091696 Seoul HANGUK ILBO in Korean  
23 Apr 96 p 6

[Article by reporter Kim Pyong-chan: "Will the PRC Play an Active Role in the Four-Way Talks?"]

[FBIS Translated Text] The PRC's active role is necessary to ensure the success of the four-way talks regarding the Korean peninsula. The power relations in Northeast Asia, as well as North Korea-PRC relations, however, seem to be complicating the PRC's position.

Up to now, North Korea has reacted ambiguously to the proposal for four-way talks by saying that "it is reviewing the feasibility of the talks," whereas the PRC has yet to provide a clear answer to this question. Through a personal letter written by President Jiang Zemin and commentaries released by Foreign Minister Qian Qichen and ministry spokesman Shen Guofang, the PRC has merely expressed a wait-and-see attitude and repeated its position of supporting the proposal in principle by saying that the PRC "basically agrees," "will play a constructive role," and "will cooperate

following negotiations between the South and North Korean authorities."

In particular, while the PRC's reference to "negotiations between the South and North Korean authorities," is in favor of the ROK's position, it also indicates that the PRC feels it cannot force North Korea into action, an indication which took North Korea into account.

The ROK Government authorities and many North Korea experts believe that North Korea and the PRC have actively been holding secret dialogues to coordinate their positions following the proposal for the four-way talks. The following eminent figures who are well versed in North Korean and Chinese affairs, respectively, are expected to be involved: Hyon Chun-kuk, director of the International Department of the Workers Party; Chu Chang-chun, North Korean ambassador to the PRC; DPRK Ambassador to Cambodia Song Ho-kyong (who was summoned back to the North following the counterfeit dollar incident); and Du Bingwei of the Modern International Affairs Institute under the PRC State Council.

It is also believed that upon receiving notification on the four-way talks proposal through Indonesia, North Korea reconfirmed this with the PRC.

A government authority said: "The PRC will take no action in advance until North Korea expresses its official position." He added: "In current North Korea-PRC relations, North Korea has a wide range of means of negotiations with the PRC, while the PRC has many obstacles."

That is, North Korea may stress its geopolitical importance to the PRC, including its relations with Taiwan, ethnic minorities living in the borderland, and its relations with the United States, and use this as a leverage, whereas the PRC has no available means to pressure North Korea.

Both North Korea and the PRC are well aware that if North Korea strengthens its relations with Taiwan and makes its anti-PRC line official, the PRC's position would be weakened, and commotion among the ethnic minorities would deepen. The PRC is also concerned about the possibility that a rapid progress in North Korea-U.S. relations may make North Korea part of the U.S. sphere of influence on the PRC.

As a matter of fact, China's influence on North Korea has weakened since Kim Il-song died and the former changed its socialist line following its economic opening-up.

Although the PRC is a party to the Armistice Agreement, the PRC accepted North Korea's demand for the

withdrawal of the PRC Army delegates from the Military Armistice Commission in Panmunjom.

However, North Korea has been further lessening its reliance on China in carrying out its diplomatic activities with each passing day. For instance, North Korea sent a trade delegation to Taiwan from 13 to 20 March; it also received a Russian vice premier-level delegation from 10 to 12 April.

An In-hae, a professor at the National Unification Institute, said: "The PRC has embraced North Korea as far as political affairs are concerned ever after it opened up its economy." She added: "We ~~could~~ be aware that it is too early to expect a direct role of the PRC Government in the four-way talks."

**ROK: Daily Examines 'ROK-Type Peace Agreement' Plan**

SK2304122696 Seoul CHOSON ILBO in Korean  
23 Apr 96 p 3

[Article by reporter Song Ui-tal: "'ROK-Type Peace Agreement Plan'"]

[FBIS Translated Text] The ROK Government has been examining a plan to propose the signing of an "ROK-type peace agreement" as a measure to build a peace mechanism on the Korean peninsula.

Under the plan, North and South Korea would play a leading role based on the North-South basic agreement, and the United States and China would guarantee and endorse any North-South agreement. This plan is based on the "two plus two" formula, which the government mapped out last year. Under this plan, the four countries would get together at first, but North and South Korea would play a leading role.

In connection with this, officials from the Ministry of National Unification, Foreign Ministry, and other government agencies said: "We are examining all possible formulas based on various foreign examples and considering the special situation on the Korean peninsula. Nevertheless, no decision has been made, yet." However, it has been learned the ROK Government has internally concluded there is no alternative to the "ROK-type formula."

An ROK Government source says: "The government has been examining two formulas to find a way to build a peace mechanism. One is for the four countries to sign an all-inclusive peace agreement or establish a peace enforcement organization, and the other is for the participants to sign bilateral peace agreements and for the United Nations to endorse them. The government prefers the latter."

The government seems to have adopted the latter based on the analysis that if the four countries hold joint discussions, U.S.-North Korea political and military dialogue would prevail, and this would exclude the ROK from the process. The government's position is that even when bilateral agreements are signed, it would make diplomatic efforts toward the United States and China to ensure that they accept the ROK's leading role as in the light-water reactors project; that North and South Korea play a substantial role in building a peace mechanism; and that U.S.-North Korea, U.S.-China, and ROK-China agreements merely endorse the North-South efforts.

In connection with this, an ROK Government official said that "our formula is similar to the U.S.-led Camp David accord (September 1978) and other peace agreements in the Middle East," adding that "we take note of the fact that before they signed their own peace agreement, Israel and Egypt had undergone a four-year period of building military confidence in the Sinai peninsula under the supervision of UN peacekeeping forces and U.S. Forces."

The government is reportedly examining the plan under which, during discussions on building a peace mechanism, the ROK would seek to operate in earnest the North-South Joint Military Committee stipulated in the North-South basic agreement, redeploy North and South Korean troops and missiles to rear areas, demilitarize the DMZ true to the name, and verify the implementation of any agreement through a peace enforcement organization, instead of the Neutral Nations Supervisory Commission.

The government plans to propose that if North-South tensions are eased visibly, a U.S.-North Korea nonaggression treaty and ROK-China and U.S.-China basic treaties may possibly be signed.

However, it is not clear at present whether this government idea is feasible. North Korea has not stated whether it would accept the proposal for four-party talks, and no one can be certain how North Korea would behave even if the talks are held.

Another ROK Government official said that "the government's top priority as regards the proposal for four-party talks is to defuse military confrontation on the Korean peninsula," adding that "the government will make a gradual and step-by-step effort toward building a peace mechanism."

**ROK: DPRK Delegation To Attend Carter Center Seminar**

SK2404011696 Seoul YONHAP in English  
0046 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — A North Korean delegation headed by Yi Chong-hyok, a vice director of the Workers' Party, is scheduled to attend a seminar on Korean problems opening Friday at the Carter Center in Atlanta, Georgia, reliable sources here said Wednesday.

The North Korean delegates will be the first to visit America since South Korea and the United States made a joint proposal last week for four-nation talks to discuss a peace regime on the Korean peninsula.

Analysts here said it will be especially interesting to see if they discuss the proposed four-party peace talks among South and North Korea, the United States and China.

Yi is also the vice-director of Asia-Pacific Peace Committee of the Workers' Party and senior secretary of the Unification Policy Committee of the Supreme People's Assembly.

Former South Korean National Unification Minister Han Wan-sang will also be attending the meeting.

**ROK: Song Hye-rang Said 'Hiding' at U.S. Army Base in Germany**

SK2404073196 Seoul YONHAP in English  
0704 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Song Hye-rim, the ex-wife of North Korean de facto leader Kim Chong-il who escaped from Moscow January 20, may be hiding at a U.S. Army base in Frankfurt, Germany, a news magazine reported Wednesday.

An ethnic Korean living in Russia, identified only as "Mr. H," told the TONG-A ILBO's weekly "NEWS PLUS" that he presumes that Song, her sister Hye-rang, and Hye-rang's daughter, Nam-ok, are there because they had agreed with his suggestion that they seek asylum with the United States.

Additionally, Hye-rang's late husband was a prominent nuclear physicist for the North. Thus, she may know something about Pyongyang's nuclear program, he continued, adding that Washington must have heard about it.

Mr. H, who said he helped the three to escape, said he received a phone call from Hye-rang at his Moscow home February 16 saying she had been unable to meet her sister.

Calling from Switzerland, she then expressed her worry about whether Hye-rim could join her there amid intense media coverage in South Korea of their flight, he said. This contradicts earlier reports saying that the three had escaped together.

Hye-rim, according to her sister, plans to visit her eldest son, whom she had with Kim and now residing in South Korea, much later so as not to incur the wrath of the North Korean leader.

A similar call was made two days later, but none thereafter, so Mr. H guessed that Hye-rim did indeed join her sister safely.

Hye-rim's personal bodyguard, Choe Chun-tok, a secretary at the North Korean Embassy in Moscow, was the first to know about the trio's escape, Mr. H. said, adding Choe, who is no longer in Moscow, presumably must be in hiding now for fear of his life.

**ROK: Efforts To Put Out Fire Resume at Tongduchon Army Range**

SK2404015696 Seoul YONHAP in English  
0122 GMT 24 Apr 96

[FBIS Transcribed Text] Tongduchon, Kyonggi Province, April 24 (YONHAP) — Operations resumed Wednesday at 5:30 AM [2030 GMT] to extinguish the brushfire that had been raging through a U.S. Army training range near Tongduchon since Tuesday morning.

Seven people died of smoke inhalation Tuesday while fighting the fire, which began at 11:47 AM the same day. The cause of the fire is still under investigation.

The Tongduchon fire station and the forestry administration had four helicopters at the scene of the blaze, which had spread quickly during the night. Approximately 200 firefighters, public workers, and U.S. Army personnel formed a blockade around the fire in an effort to contain it.

"With the fire gradually dying down and no strong winds blowing, the blaze should be completely extinguished by Wednesday afternoon," a firefighter said.

**ROK: Article Analyzes Kim Chong-u's Remarks on Economic Policy**

SK2304120996 Seoul CHUNGANG ILBO in Korean  
23 Apr 96 p 2

[Article by Kil Chong-u in Washington]

[FBIS Translated Text] Kim Chong-u, vice chairman of the North Korean External Economic Committee, volunteered to make an unscheduled keynote speech at



the meeting on economic cooperation on the Korean peninsula organized by George Washington University. The meeting was held on 22 April and was not open to the public. Under the subject "North Korea's External Economic Policy," Kim said that North Korea intends to make a significant change in its economic policy. His remarks, in sum, admitted the limits of the chuche economy in the changing international situation, and indicated that North Korea will pursue an "export-oriented" economic policy to seek development through external economic cooperation. He also said that North Korea will enact various laws and invest in social overhead capital projects in order to increase trade and investment by foreign companies. Vice Chairman Kim was the North Korean delegate to the multilateral meeting on the investment in the Najin- Sonbong area that was held in Beijing last week. He is recognized as the official messenger of the North Korean external economic policy.

The flood and the ensuing economic crisis, the show of force in the DMZ, the four-party talks proposed at the ROK-U.S. summit, and the North Korea-U.S. missile talks in Berlin have attracted international attention on North Korea. Considering the timing, Kim's remarks appear double-ended.

At face value, his remarks can be interpreted that North Korea may give up the system to recover the economy, which is very unlikely. His remarks may be a gesture expressing North Korea's hope.

Bill Richardson, a U.S. congressman who has been to North Korea, made a luncheon speech.

Many U.S. Administration officials, congressmen, scholars, and researchers, who are closely watching North Korea's economy, attended the meeting. Even though it was an academic meeting, it predicted that the United States will activate its policy on North Korea.

While Washington has contradicting interpretations on North Korea's economy, the fact that six North Korean officials led by Vice Chairman Kim, who is the chief of North Korea's external economic policy, visited Washington is in itself very significant.

The meeting was organized by George Washington University's Northeast Asia Institute. Kim Yong-chin, chief of the institute, visited Pyongyang in early April and personally discussed the meeting with Vice Chairman Kim.

#### **ROK: Ministry Refutes U.S. Charges of Barriers to Farm Products**

SK2404022696 Seoul THE KOREA TIMES in English  
24 Apr 96 p 9

[By staff reporter Yi Chang-sop]

[FBIS Transcribed Text] Seoul countered a recent U.S. complaint about Korea's non-tariff barriers against American farm products.

In refuting the U.S. allegation on Korea's toughened residue inspection, the Ministry of Finance and Economy said that Seoul has already taken steps to ensure that customs clearance of American fruits and fish will be granted within two days upon receipt of import documents.

Korea currently subjects 112 items to residue examination for farm chemicals, a level similar to the 157 set by international standards. The ministry argued that the United States currently obligates 330 items to similar inspection, which is much stricter than Korea's requirement.

The official repudiation against the U.S. claim appeared in the March edition of the bulletin published by the Ministry of Finance and Economy.

As for the U.S. claim about the ambiguity of Korean food codes, the ministry claimed that the Korean government revised related laws and regulations to make them comply with the World Trade Organization rule last year.

Korea reclassified food commodities following the international criteria of the Harmonized System (HS) to help enhance foreign understanding of the Korean industrial system, it said.

It also countered U.S. claims of "unscientific" fumigation requirements by the Korean government, saying that it is a globally accepted quarantine method, mandatory on farm products suspected of containing harmful insects and diseases.

The ministry added that Korea already revised domestic laws by applying the criteria of the International Plant Protection Convention (IPPC), and will also revise relevant rules and decrees so as to exclude the so-called cosmopolitan pest from Korean inspection requirements.

The ministry said Seoul solved major U.S. export complaints concerning its shelf life rule, reiterating that the government liberalized their requirements on 207 items last October by placing them under the market's self-regulation.

In terms of overall figures in agricultural trade, the ministry said, Korea's deficit in bilateral agricultural trade with the U.S. amounted to 3.09 billion dollars in the first 11 months of last year, accounting for 52.1 percent of its total farm trade shortfall.

Despite allegations of foul play, U.S. figures shows that their farm exports to Korea increased from 2.4 billion dollars in 1993 to 4.3 billion dollars in 1994.

**ROK: DPRK Senior Official Comments on New DPRK Trade Policy**

SK2404092196 Seoul YONHAP in English  
0803 GMT 24 Apr 96

[FBIS Transcribed Text] Washington, April 23 (YONHAP) — The Vice Chairman of North Korea's External Economy Committee, Kim Chong-u, said Tuesday that North Korea would seek to promote trade relations with "the capitalist market," parting from its past reliance on the socialist bloc.

For this purpose, the country will introduce "business forms and modes that are currently taken as universal on the international market," he stressed.

The world market has been "unified into a single market, i.e., the capitalist market," he added. The senior Pyongyang official was speaking at a two-day seminar on the prospects for economic development in Korean peninsula that opened at George Washington University under the sponsorship of the university's Gaston Sigur Center for East Asian Studies Monday.

With this in mind, Pyongyang will revise its foreign trade laws and guidelines for the Najin-Sonbong special trade zone in an effort to promote credit-based international trade and attract foreign investment, he added.

The North's six-member delegation to the seminar, led by Kim Chong-u, includes Kim Chong-ki, chief secretary of the International Trade Promotion Committee, and Pak Sok-kyon, a Foreign Ministry official.

Calling on the United States to lift its economic sanctions on North Korea under the 1994 framework agreement signed between Washington and Pyongyang, another North Korean delegate claimed such sanctions are obstructing foreign investment in the Najin-Sonbong area.

With the world-wide collapse of socialism, North Korea has lost 70 percent of its trading partners and trade volume has been cut in half since 1990.

In addition, because of the lack of foreign exchange, the North is having difficulties paying foreign firms in cash, he explained, as well as importing crude oil and other industrial materials.

Last year, there were 5.2 million sufferers of the devastating floods in North Korea, and the communist nation's per capita income fell from 1,000 U.S. dollars in 1991 to 719 dollars last year, he added.

But Kim Chong-u said North Korea would not open its market in the same manner as China and Vietnam did, but in such a way as to help sustain its policy of "chuche" or self-reliance.

Economic cooperation between North Korea and foreign countries will be promoted in accordance with the principles of socialism and the "chuche" philosophy of the late leader Kim Il-song, he stressed.

U.S. speakers denied that Washington's sanctions are preventing foreign investment in the Stalinist nation, saying China and Vietnam have succeeded in attracting sufficient overseas investment in spite of such sanctions.

Such sanctions will be lifted when inter-Korean economic cooperation gets back on track, and North Korea would be able to attract foreign investment today if its economy were viable enough to warrant it, they remarked.

South Korean speakers, noting that North Korea is aware of the changing world economy, said Pyongyang is apparently trying to establish ties with global capitalist markets through the Najin-Sonbong zone, rather than introducing market reforms.

**ROK: DPRK Official Comments on Revising Foreign Trade Laws**

SK2404092196 Seoul YONHAP in English  
0803 GMT 24 Apr 96

[FBIS Transcribed Text] Washington, April 23 (YONHAP) — The Vice Chairman of North Korea's External Economy Committee, Kim Chong-u, said Tuesday that North Korea would seek to promote trade relations with "the capitalist market," parting from its past reliance on the socialist bloc.

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South Korean speakers, noting that North Korea is aware of the changing world economy, said Pyongyang is apparently trying to establish ties with global capitalist markets through the Najin-Sonbong zone, rather than introducing market reforms.

#### **ROK: Editorial Comments on Kim Chong-u's Remarks on DPRK Economy**

SK2404010196 (Internet) *The Digital Choson Ilbo*  
WWW in English 1234 GMT 23 Apr 96

[Editorial: "North Korea: A Player on the Capitalist Market?"]

[FBIS Transcribed Text] Vice chief of North Korea's Foreign Economic Committee, Kim Chong-u, in a noteworthy announcement at a policy seminar in Washington D.C., stated that current policy will change to one in which the self-reliant economy will expand to allow foreign cooperation, and that new goals include infiltration into the capitalist market. At the moment, two clashing theories on how North Korea will survive are coming to a head.

The two sides argue respectively for the inevitability of the country's revitalization through opening, and the impossibility of just such a situation. At present, the former seems to be pulling ahead.

Bold comments from Kim, such as his statement that, "It is old-fashioned to disregard foreign cooperation in our self-reliant economy," can be interpreted as an indication of political upheavals in North Korea. Other comments like, "Capitalism does not have a monopoly on the market economy," are reminiscent of Deng Xiaoping. In China's case, the brand name of Socialism has never been abandoned, even in the face of the country's de facto acceptance of capitalism. North Korea, likewise, continues to adhere to its tenets of self-reliance, while importing parts of the capitalistic system as a means to get out of its economic crisis.

The dilemma which arises is how North Korea can go forward with currying foreign cooperation while maintaining its stance of self-reliance. It is intriguing how, or if they will be able to justify the policy changes to the very people they have indoctrinated with the ideal of self-reliance.

Phasing into an export-based economy, requires both expenditures on infrastructure, and a change of ideology. It is dubious whether North Korea can achieve this without undermining the system already in place.

North Korea is considering the possibilities. One suggestion is to approach South East Asia, after which the North can begin its careful strategies on markets of advanced nations. Another proposal is to collect reparations from Japan for the period of colonial rule. The easiest solution, however, would be to cooperate with us.



**ROK: Japan 'May Resume Negotiations' With DPRK 'Mid-July'**

*SK2404015196 Seoul YONHAP in English  
0142 GMT 24 Apr 96*

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Japan may resume negotiations with North Korea to normalize diplomatic relations, which were suspended in October 1993, as early as mid-July, a diplomatic source here said Wednesday.

The source said that the Japanese Government's basic policy is to maintain a system of mutual assistance with South Korea amid the rapidly changing situation in Northeast Asia and restore relations with South Korea which have recently deteriorated due to issues from the past.

"The Japanese Government notified South Korea through a diplomatic channel of its plan to seek contact with North Korea after watching Pyongyang's moves for the time being," the source said.

It seems that Japan has decided that it can begin negotiating with North Korea to normalize diplomatic relations if Kim Chong-il becomes president July 8, when it will be two years since the death of Kim Il-sung, according to the source.

"It means the expiration of the mourning period for Kim Chong-il," he added.

South Korea, the United States and Japan will have a policy consultation meeting on Cheju Island May 13 to cooperate in deciding their policies towards North Korea.

"So Japan will not push for contact with the North, without first consulting with the South," he said.

**ROK: Daewoo To Ship Electronic Goods, Other Equipment to DPRK**

*SK2404093396 Seoul YONHAP in English  
0836 GMT 24 Apr 96*

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Some 230,000 U.S. dollars worth of finished electronic products and heavy construction equipment will be shipped to North Korea next month for the first time since the Korean peninsula was divided.

The National Unification Ministry said Tuesday that it has recently given Daewoo Corp. permission to send three fork-lifts, one tractor, two trailers, one set of computer, a pair of washing machine and dryer, and one photocopier to the North's Samcholl'i General Corp. next month.

It will be the first time that the South has sent finished products to the socialist country, although there have been times that electronic components were sent to the North or parts of heavy equipment processed in the North on commission were brought into the South since the inter-Korean trading was first allowed in 1988, a ministry official said.

"The goods are believed to be samples given for economic cooperation, considering their small volume," a ministry official said.

North Korea-processed color TV receivers are also going to be brought into the South now that LG Electronics Co. has received approval from the government to take the delivery of 15,000 color TVs from the North's Kwangmyong United Corp. LG was also okayed to ship 15,000 kits of color TV to the North Korean company under a processing-on-commission (POC) contract.

The official expected the inter-Korean trade to develop in quality, given the growing proportion of POC production in it and the trend of POC trade shifting from light industry to electronics.

Meanwhile, trade between the two Koreas surpassed the 300 million dollar mark last year for the first time.

**ROK: ROK, Chinese Officials Discuss Broadcasting Exchanges**

*SK2404131196 Seoul YONHAP in English  
1208 GMT 24 Apr 96*

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — South Korea and China on Wednesday decided to cooperate with each other in the production and exchange of broadcasting programs.

The decision was made at a meeting between Information Minister O In-hwan and visiting Chinese Radio, Film and Television Minister Sun Jiazheng.

During the meeting held at Minister O's office at the Sejong-ro government building, O stressed the importance of bilateral cooperation in broadcasting programs while Minister Sun said the two countries should explore the way of mutual cooperation in programs production.

"There is the need for the two countries to further elevate the artistry and entertainingness of broadcasting programs for both domestic consumption and overseas advancement," Minister Sun said.

The Chinese minister also took the occasion to invite Minister O to visit Beijing.

**ROK: 'Japanese Source': PRC To Give DPRK Grain, Oil Assistance**

SK2404012696 (Internet) The Digital Choson Ilbo  
WWW in English 1237 GMT 23 Apr 96

[FBIS Transcribed Text] China has pledged assistance to North Korea, in the form of 700,000 tons of grain and an annual provision of 1.3 million tons of crude oil, an informed Japanese source said Tuesday. As of last month, 500,000 tons of the grain had been delivered to North Korea, in an effort to stave off the country's collapse.

According to reports, North Korea has received 1.5 million tons of rice from several sources, including: South Korea, 300,000 tons; Japan, 500,000 tons; international organizations, 400,000 tons; and Thailand, 300,000 tons. The amount of rice required annually is 2.2 million tons. According to the aforementioned Japanese source, the 700,000 ton figure makes up the remainder of rice needed by North Korea. Of the most recent package, 350,000 tons will be provided to North Korea at a "friendly price" while the remainder will be sold at international market value.

In a conflicting report by the South Korean Government, however, North Korea has imported only 147,000 tons of grain as of the end of March, or less than 10% of currently projected foreign provisions. If North Korea is unable to import an additional 1 million tons of grain, severe starvation is expected.

**ROK: Pak Sang-yong Picked as UN Discrimination Commission Expert**

SK2304085196 Seoul YONHAP in English  
0809 GMT 23 Apr 96

[FBIS Transcribed Text] Seoul, April 23 (YONHAP) — Former Vice Foreign Minister Pak Sang-yong was elected Tuesday as an expert of the United Nations sub-commission on the prevention of discrimination and protection of minorities, Foreign Ministry spokesman So Tae-won said.

Pak was elected to the seat along with a Japanese candidate, beating four other Asian hopefuls.

Tuesday's meeting in Geneva elected 13 experts from a total of 26 commission members and two seats were allocated for Asia.

The commission, established in 1947 under a resolution of the United Nations Commission on Human Rights, conducts independent investigations of human rights violations all around the world to make recommendations to the United Nations.

**ROK: ROK Joins Policy Commission of World Customs Organization**

SK2404014796 Seoul THE KOREA TIMES in English  
24 Apr 96 p 9

[FBIS Transcribed Text] Korea became the fifth Asian country to join the 24-member policy commission of the 139-nation World Customs Organization (WCO).

The decision was made in Malaysia yesterday during the WCO's sixth general assembly meeting for the Asia-Pacific region. Pak Pong-su, director general of the Ministry of Finance and Economy, represented Korea in the Malaysia meeting.

Korea will pay more capital contribution to the WCO in return for becoming part of its supreme policy-setting body. The WCO was founded in Brussels in 1953.

**ROK: Six ROK Firms To Participate in Kuala Lumpur Asian Defense Fair**

SK2304011096 Seoul THE KOREA HERALD  
in English 23 Apr 96 p 3

[FBIS Transcribed Text] Six South Korean firms will participate in an international defense fair, Defense Services Asia '96, to be held in Kuala Lumpur Tuesday through Friday, the Defense Ministry said yesterday.

The participating firms include Hyundai Precision and Industries and Daewoo Heavy Industries, which will display K-1 tanks and K-1 armored vehicle-launched bridge, and NBC (nuclear, biological and chemical) reconnaissance vehicle, respectively.

A total of 508 defense firms from 39 nations will participate in the defense fair.

**ROK: Large Tanker Built by Daewoo for Iran Christened**

SK2404131296 Seoul YONHAP in English  
1109 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — One of the five mammoth oil tankers Daewoo Heavy Industries is building for the National Iran Tanker Co. (NITC) was christened in a colorful ceremony at Daewoo's Okpo shipyard at Koje-do Wednesday.

The VLCC (very large crude-oil carrier) tanker was christened by Mohammad Souri [name as received], NITC chairman, as "Iran Noor (light of Iran)."

The christening was witnessed by a number of well wishers, including, besides Chairman Souri, Daewoo Heavy Industries Chairman Yun Won-sok and its President Sin Yong-kyon.

"Iran Noor" measures 332 meters long, 58 meters wide and 31 meters high, and can cruise at 15.2 knots with 300,000 tons of crude oil on board.

The tanker is set to be delivered to NITC on April 30.

#### **ROK: Foreign Firms To Be Allowed To List DRS on KSE in May**

SK2404111896 Seoul YONHAP in English  
0806 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Beginning next month, foreign companies meeting certain qualifications will be allowed to list their depository receipts (DRS) on the Korea Stock Exchange [KSE].

To qualify for listing DRS on the bourse here, foreign firms must have at least 50 billion won in equity capital, records of posting an annual net profit of more than 5 billion won for three years in a row prior to the listing, be a listed company in their home country, obtain the required credit rating and issue DRS based on at least 300,000 shares, officials said.

For local investors in these DRS, the foreign firms are required to make public disclosure of information about the developments of their business affairs just as domestic firms are, they added.

#### **ROK: Seoul Allows Import of Canadian Ozone-Treated Bottled Water**

SK2304094896 Seoul YONHAP in English  
0745 GMT 23 Apr 96

[FBIS Transcribed Text] Seoul, April 23 (YONHAP) — The disputes between South Korea and Canada over a ban on Canadian bottled water imports came to an end Tuesday as South Korea agreed to allow imports of ozone-treated Canadian bottled water, a Foreign Ministry spokesman said.

The agreement reached between the two countries, however, allowed South Korea to maintain a six-month life for Canadian bottled water, the spokesman said.

Canada took the issue before the World Trade Organization dispute panel last November, demanding that Seoul abolish the regulations banning ozone-treated bottled water imports and restricting bottled water shelf-life to six months.

The agreement also stipulates that the Canadian product be labeled as bottled water rather than natural mineral water which is a label reserved for bottled water that has not undergone ozone treatment.

#### **ROK: Influx of Foreign Funds Causes Won Appreciation**

SK2404051096 Seoul YONHAP in English  
0126 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — The increasing inflow of foreign stock investment currency is strengthening the value of the won against the U.S. dollar, and this is expected to have a negative influence on South Korean exports.

At the end of last month the exchange rate was 782.70 won per dollar and Tuesday it was 778.90 won per dollar, according to the Bank of Korea.

The value of the won began appreciating in January when it took 790 won to buy a dollar, and reached the 770-won level in early April.

The appreciation pace began to pick up in April, thanks to the influx of additional foreign investment currency that followed the wider stock market opening April 1.

The net inflow of foreign money into the bourse for the first 20 days of April totaled 1.44 billion dollars, according to the central bank.

The average won-dollar exchange rate stood at 783 won per dollar for the first quarter of the year, indicating that the won depreciated 1.7 percent from the average 769 won for the final quarter of last year.

The won will continue to grow stronger since the inflow of foreign stock investment funds are increasing, and the strong won, coupled with the weakening Japanese yen against the U.S. dollar this year, will adversely influence the nation's exports, officials said.

#### **ROK: Kim Tae-chung To Cooperate 'Unconditionally' With President**

SK2204001196 Seoul THE KOREA TIMES in English  
22 Apr 96 p 8

[FBIS Transcribed Text] Kim Tae-chung, leader of the main opposition National Congress for New Politics [NCNP], strongly indicated that he will cooperate "unconditionally" with President Kim so that he can complete his remaining term without much trouble.

"In light of the fact that President Kim and I fought together for democracy, I will spare no efforts in cooperating with him so that he can finish his term peacefully," said NCNP leader Kim in a meeting with prominent figures in the Kwangju and Chonnam regions.

He said that there shouldn't be another unhappy and miserable president in the nation's history, indicating that he will not attack President Kim when he leaves Chongwadae [presidential offices].



While visiting Kwangju, his strong power base and where anti-Kim Yong-sam sentiment runs highest in the nation, he emphasized his will to cooperate with President Kim on various issues, including the government's North Korea policy and security problems, as well as the decades-old regional animosity.

He said, "I think it is important for me, as the president of the nation's major opposition party, to help President Kim solve political issues during the remaining 22 months of his term in office."

The NCNP leader's position is a far cry from the past, when he complained that President Kim did not accept him as a political partner.

In his campaigning speeches, NCNP Kim criticized the President for leading the nation in an arrogant manner, asserting the need for the NCNP to keep him in check.

In a meeting with the people of Kwangju, he emphasized that he restored a longtime friendship with President Kim at Thursday's meeting.

Regarding the ever-worsening problems of regional animosity, as manifested in the April 11 polls, he said, "If the ruling camp tries to solve the regional problems in the right direction, I believe people in the Honam area will be eager to follow suit."

NCNP leader Kim is currently visiting the Cholla provinces to thank the people for the strong support they showed during the polls.

He visited yesterday Mangwol-tong cemetery where the victims of the 1980 Kwangju massacre are buried.

He is to return to Seoul today.

#### **ROK: Independent Lawmaker-Elect Kim Chae-chun Joins NKP**

SK2404062396 Seoul YONHAP in English  
0553 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Lawmaker-elect Kim Chae-chun joined the New Korea Party (NKP) Wednesday to become the first successful independent candidate admitted to the ruling party after the April 11 general elections.

Elected from Chinju-A district in South Kyongsang Province, Kim said he joined the ruling party in the belief that democratic reform forces should be united to strengthen the basis of the civilian government.

The newcomer, Kim, was formerly a campaign worker for President Kim Yong-sam when he was running in the 1979 presidential election.

But he made a political separation from Kim Yong-sam when his opposition Reunification Democratic Party

merged with then ruling Democratic Justice Party and the New Democratic Republican Party in 1990.

#### **RPK: NCNP in Dispute Over Party Leadership After Elections**

SK2404043096 Seoul THE KOREA HERALD  
in English 24 Apr 96 p 2

[FBIS Transcribed Text] The main opposition National Congress for New Politics (NCNP) is sliding into a dispute over party leadership after it suffered a setback in the April 11 general elections.

Some senior party members are openly challenging party leader Kim Tae-chung, who failed to lead his party victory in the elections.

"In a democratic party like ours, it is not right to say that he (Kim Tae-chung) is the only option. Everyone should be allowed to talk about the presidential race," senior lawmaker Kim Sang-hyon said yesterday.

A potential contender for presidential nomination, Kim Sang-hyon said that a free presidential debate in the party will help the NCNP become stronger and win next year's presidential election.

"I myself have a dream to become president some day," said the senior lawmaker, who will start his fifth term in the 15th National Assembly in early June.

The main opposition party suffered a humiliating setback in the April 11 vote when it won 79 seats, well below its target of 100.

The results also dealt a blow to party leader Kim Tae-chung, who said that he might stake his presidential candidacy on the party's strong showing in the elections.

In the face of media reports which evaluated that the NCNP was defeated, the party leader refused to define the election outcome as a failure for his party.

However, some party elders have since cautiously raised questions about his leadership, eclipsing his presidential ambition.

"We need to face the reality. However hard we may insist that we didn't lose the elections, who would believe it as the truth?" asked a party official.

In a bid to tighten his grip on the party, NCNP leader Kim Tae-chung recently thwarted a planned series of local tours by his potential rival Kim Sang-hyon.

The five-term lawmaker retreated from his plan to make a tour of major cities to consolidate his political clout after Kim Tae-chung's decision against it.

Backing off from a direct fight against the NCNP leader, Kim Sang-hyon said that for now there's no alternative to Kim Tae-chung in next year's presidential race.

**ROK: United Liberal Democrats Conducts Major Reshuffle**

SK2404050996 Seoul YONHAP in English  
0245 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — The opposition United Liberal Democrats (ULD), in a major reshuffle of its major posts Wednesday, appointed Yi Chong-mu as its floor leader and Ho Nam-hun as chief policymaker.

An Taek-su was named party spokesman in the shakeup conducted by ULD President Kim Chong-pil after consultations with Party Supreme Advisor Pak Chun-kyu and Senior Vice President Kim Pok-tong.

The party also reduced the number of its vice presidents from nine to seven, with the new appointees being Chong Sok-mo, Chong Sang-hun, Han Yong-su, Yi Tae-sop, Pak Chol-on and Pae Myong-kuk.

Yi Tong-pok was named chief secretary to the ULD president, while O Yong-un and Yi Tae-yop were tabbed as national convention chairman and central committee chairman, respectively.

**ROK: Further Probes for 'Lawmakers-Elect' Over Election Law Violation**

SK2404074296 Seoul YONHAP in English  
0642 GMT 24 Apr 96

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Five or six more lawmakers-elect are going to be summoned for questioning by the prosecution or police Wednesday for alleged election-law violations, according to the prosecutor general's office.

The list includes Yi Myong-pak of the ruling New Korea Party (NKP) from the Chongro District in Seoul; Yi Kil-chae of the opposition National Congress for New Politics (NCNP) from the North B District in Kwangju; and Yi Chae-son of the opposition United Liberal Democrats (ULD) from the West B District in Taejon.

Yi Myong-pak is suspected of distributing copies of his autobiography and a tape recording of his public addresses prior to the official campaign period.

Yi Kil-chae and Yi Chae-son have been charged with distributing gifts to voters.

The prosecution questioned three successful candidates in the recent general elections Tuesday about alleged election law violations.

They were Yi Kang-hui, NKP, elected from South B District, Incheon; Yi Sin-pom, NKP, chosen from Kangso B District, Seoul; and Yi Kyu-taek of the opposition Democratic Party (DP) selected from Yaju, Kyonggi Province.

On Thursday, the prosecution is scheduled to summon three or four legislators-elect for questioning, including Yi Won-pom, ULD, from the West A District in Taejon.

The prosecution plans to conclude their questioning by the end of next week, and make indictments by the end of next month before the 15th National Assembly opens June 1.

**ROK: FTC: 669 Business Group Affiliates Named Large Businesses**

SK2104234496 Seoul THE KOREA ECONOMIC WEEKLY in English 22 Apr 96 p 13

[FBIS Translated Text] A total of 669 affiliates of the 30 largest business groups were designated as large businesses under the Fair Trade Law in terms of asset total for this year, the Fair Trade Commission (FTC) announced on April 12.

The Hansol Group and New Core Group were newly added to the 1996 list of the 30 largest business groups, while the Woosung Group and Miwon Group were removed from the list, sources at the commission explained.

The number of affiliate belonging to the 30 largest business groups rose by 46, and the asset total of the 30 largest business groups and their affiliates was estimated at 286.9 trillion won, up 22.9 percent from a year earlier, the sources said.

Under the current rules, the 30 largest business groups and their affiliates are subject to varied restrictions stipulated by the Fair Trade Law such as limits on total investment scales and mutual payment guarantees.

Cheil Industries of the Samsung Group, and Inkel and Now Precision of the Haitai Group were designated as prominent firms which had dispersed their shareholdings in a fair manner, the sources said.

In terms of asset total, the Hyundai Group topped the list with 43.74 trillion won, followed by the Samsung Group with 40.76 trillion won, the sources said.

The LG Group, which ranked fourth last year, advanced to third place this year, and next came the Daewoo Group, which had been placed third last year.

The Hanbo Group moved up from the 8th place last year to the 14th position this year and the Jinro Group

from 23rd to 19th, while the Hanil Group fell from 20th to 27th, the sources disclosed.

The combined turnovers of the 30 largest business groups expanded by 28 percent from 248 trillion won in 1994 to 317 trillion won in 1995. And their ratio of net worth to total capital rose by 0.6 percentage point to 20.5 percent.

Their outstanding bank loans grew by 8.7 percent to 35.29 trillion won in 1995, but the share of the 30 largest business groups' bank loans in overall bank loans dipped by 1.0 percentage point from 14.9 percent in 1994 to 13.9 percent in 1995, the sources added.

#### **ROK: Korea Telecom Raises R&D Ratio to 7% of Total Revenues**

SK2304052996 Seoul THE KOREA HERALD  
(SUPPLEMENT) in English 23 Apr 96 p 2

[FBIS Transcribed Text] Korea Telecom [KT] has vigorously pursued research and development (R&D) to become a technologically advanced corporation so that it can make Korea's telecommunications industry competitive with the telecommunications industries of the G-7 countries.

Focusing on advanced information technology as well as intelligent network and technologies, Korea Telecom invested 6.2 percent of its total revenues in R&D in 1994 and increased the amount to 7 percent in 1995. A new research center is being constructed in Taedok.

Korea Telecom is continuing its efforts to develop a broadband, next-generation ISDN combining voice, data and cable-TV networks by the year 2001. It is estimated that this very large, long-term project will require an investment of \$869 million and 10,583 people.

The project required an investment of \$120 million and 1,033 people in 1994. It developed an ATM (Asynchronous Transfer Mode) switching system that supports 155 Mbps/Port and 6464 switches and we are currently conducting functions tests to establish a first-level trial network.

By securing the core technology for a high-speed information network, which will be the most important infrastructure in the coming information society, it has strengthened its competitiveness and this, along with its technical superiority, will enable it to become a leading telecommunications carrier.

Korea Telecom has continued to conduct joint R&D with the industry on personal communication services (PCS) to provide economical mobile services. In the first R&D phase, a detailed system design is being developed with the goal of providing quality voice and low-speed

communications services for pedestrians using small and low-powered handsets in densely populated areas in 1998.

The design adds wireless access-functions to the improved version of TDX [time digital exchange]-10 switches and includes separate HLRs (home locator registers) so that the existing PSTN [public switched telephone network]/ISDN is fully utilized. A prototype is to be developed and tested by 1996, put into trial service in 1997 and commercialized in 1998. The goal of the second R&D phase, which will extend to 2001, will be high-speed data and intelligent services for fast-moving pedestrians.

Korea Telecom has been developing an effective way to manage communication networks. In 1994, a regional network management system (RNMS), a trunk management system (TRUMAN), a system for evaluating network service (SENSE), a leased communication network management system, and a maintenance and operation system for synchronous transmission network (MOST) were developed.

In 1995, it continued to research and develop a network management structure and a TMN (Telecommunications Management Network) management platform to prepare for the introduction of a TMN management system. It will also continue its efforts to develop its MOVE-ISDN system (maintenance and operation system for various types of ESS).

The Outside Plant Technology Research Laboratory moved into the Taedok No. 1 Research Center in November 1994. The new facility can accommodate 700 researchers and it has a dormitory, a dining hall, tennis courts and conference rooms.

The Outside Plant Show (OPS 1994) and the Korea Telecom International Symposium (KTIS 1994), the theme of which was outside plant development, were held to celebrate the opening. Twelve countries including the United States and Russia participated.

Korea Telecom developed its first KT-EDI system and it complies with international standards. The severe trade competition in the international scene demands EDI (electronic data interchange). In preparation for full commercialization of the system, it began providing the medical information network (MEDI-NET) service, and an industrial information service in 1995.

The development of KT-EDI software, which involved industries, academic circles and research organizations, led to the development of its own main computer (TICOM) and it expects this will contribute greatly to the development of information and telecommunications



technology. It plans to begin exporting the EDI software in 1997 and to develop a global message platform.

Korea Telecom has developed a 45/90 Mbps long-distance optical transmission system and a 565 Mbps short-distance optical transmission system. In 1994, it also developed a 2.5 Gbps. It is currently studying a digital optical CATV system, a broadband digital cross-connect system (BDCS) and a 10 Gbs optical transmission system.

Korea Telecom is promoting fiber to the office (FTTO), fiber to the curb (FTTC), and fiber to the home (FTTH). FTTO and FLC (fiber loop carrier) for large buildings were commercialized in 1995 and FLC for residential structures will be commercialized in 1997.

#### Globalization Drive

Korea Telecom is now the world's eighth largest telecommunications carrier and it is more than ready to share its expertise with others, especially with developing countries that are striving to modernize their communications networks.

In 1994, it made its first overseas investment by purchasing 20 percent of the shares of RETELCOM, the second largest telecommunications carrier in the Philippines. It also established MODI-KT, a joint venture company, with MODI of India, to establish a wireless paging system in seven Indian cities. It also entered a joint venture project with VNPT of Vietnam to set up a 40,000-line communications network in Vietnam.

At the same time, it is participating in communication network expansion projects in Indonesia and Madagascar, network construction projects in China and Russia, and privatization of telecommunications authorities in East Europe and Latin America. It is expected that by the year 2000, 5 percent of its total revenues will come from overseas projects.

#### G-7 Project

B-ISDN encompasses individual telephone networks, data networks, CATV networks and telex networks in a single public telecommunications network. It is capable of providing high-speed data transmission, high-quality video and broadcasting services. It is therefore regarded as a next generation telecommunications network that can meet the diverse and stringent needs of customers.

The B-ISDN project is the biggest component of the so-called G-7 project that is aimed at acquiring technologies equivalent to those of the G-7 countries and increasing our competitiveness. Exchange, transmission, terminal equipment and network technologies are the

major areas of research being jointly pursued by industry, academics and research institutions.

For the next 10 years, 10,583 research personnel will participate in the over \$800 million project which is being led by Korea Telecom.

As the project manager, Korea Telecom has selected other companies to participate in the project.

B-ISDN will have an information handling capability 100 times that of the current ISDN, and up to 10,000 times that of the existing telephone network, thus enabling video conferences, telecommuting, home shopping, tele-education and telemedicine services.

#### To Ensure the International-Level Quality of Service

Network operation and management is as important as the construction of advanced networks. Korea Telecom is trying to prevent large-scale network breakdowns and to effectively cope with possible natural disasters.

The current call completion ratio of 60 percent will rise to 64 percent by the year 2000. Old and faulty cables will be replaced with foam skin cables to improve transmission quality in preparation for the coming ISDN services.

A centralized network operation and management system is being constructed to efficiently manage the network. The replacement of old and outmoded equipment, breakdown preventive measures, and the introduction of new operation and management techniques are contributing to the establishment of an advanced network management system.

Modern network operation and management go beyond improving service quality. Korea Telecom is servicing equipment in houses, apartments, and buildings free of charge. Telephone poles on private lands will be relocated free of charge by 1997.

In areas where there are shortages of lines, we are conducting a trial on subscriber loop multiplexing equipment with the aim of providing regular services by 1995. This will open an era of two telephone lines per household.

Diverse telecommunications services are required in a sophisticated modern society. A telecommunications network capable of handling all telephone, fax, and data communications is necessary.

This new and futuristic telecommunications network is called ISDN and it is already in operation in a few advanced countries. This network, capable of economically providing many services in an integrated manner,

is expected to play an important role in the future information society.

Korea Telecom is going to construct an integrated digital network during the 1990s according to the already established ISDN development plan. Digitalization of the subscriber loop equipment, exchanges, and transmission facilities is now being undertaken.

Korea Telecom installed an international gateway switch in Seoul in December 1993 to meet the exploding international telecommunications demand and expanded the gateway facilities in Pusan.

As part of its ambitious investment plan for global telecommunications network securement, the company separated dedicated international gateway switches from those shared by long distance services, and set up a bypass network with backup capabilities.

**ROK: Medison, KAIST Succeed in Developing MRIs**

*SK2304081596 Seoul YONHAP in English*  
*0652 GMT 23 Apr 96*

[FBIS Transcribed Text] Seoul, April 23 (YONHAP) — The Ministry of Trade, Industry and Energy (MOTIE) announced Tuesday that after one year of joint research the Medison Co. and the Korea Advanced Institute of Science and Technology [KAIST] have succeeded in producing Magnetic Resonance Imaging (MRI) domestically.

Medison used the government's "G-7 fund" to help procure core parts from the Britain's Oxford Magnate Technology (OMT) to develop the advanced technology, a ministry official explained.

The Medison-developed MRI will be on the market sometime around September and will cost 20 percent less than foreign-made MRIs, which cost about 1.4 billion won (about 1.79 million U.S. dollars) per unit, a ministry official said.

Since the current domestic MRI market is worth 100 billion won (approximately 128.37 million dollars), domestically produced MRIs will be very marketable, the official forecast.

South Korea imported 35 units last year and is expected to import 80 units this year, he added.

**ROK: Imported Consumer Goods Increase in First 3 Months of 1996**

*SK2204021896 Seoul YONHAP in English*  
*0203 GMT 22 Apr 96*

[FBIS Transcribed Text] Seoul, April 22 (YONHAP) — Imports of consumer goods are increasing rapidly while

capital good and raw material imports are declining amid signs of businesses slowing facility investments in response to expectations of a downturn in business activity in the months to come.

Consumer goods imports increased 17.1 percent in the last quarter of 1995 from the same period in 1994, but in the first quarter of this year, consumer good imports soared 24.7 percent from the same quarter of last year to 3.76 billion U.S. dollars, according to statistics compiled by the Trade, Industry and Energy Ministry said Monday.

The rate of increase of capital good imports fell, however, from 14.8 percent between October and December last year to 12 percent in the first three months of this year. Raw material imports also declined from 27.1 percent in the last quarter of last year to 19.1 percent in the first quarter of this year.

Grain, clothing, car, cigarette, cosmetic and cellular phone imports led the sharp increase in consumer good imports, following the opening of the South Korean market.

Food grain imports climbed to 690 million dollars between January and March this year, up 30.1 percent from the same period of 1995, while clothing imports rose 51.3 percent to 300 million dollars during the same period.

Meat imports rose 40.7 percent to 219 million dollars in the first quarter of this year from the same period last year, while the cellular phone imports rose to 120 million dollars, up 50.2 percent.

**ROK: Bosch Opens Technical Center 22 Apr**

*SK2304011196 Seoul THE KOREA TIMES in English*  
*23 Apr 96 p 8*

[FBIS Transcribed Text] Bosch Korea Ltd. opened their new technical center in Yongin-kun, Kyonggi-to, in a ceremony yesterday.

The three-story center, built on a 13,600 square meter lot at a cost of 12 billion won, will undertake application work for gasoline fuel injection systems, development and modification of software, modification of electronic control units according to customers' requirements, and technical training, a spokesman said.

The center is equipped with a chassis dynamometer for all types of emission tests, an engine test bench for engine calibration and performance evaluation, a cold cell for coldstart optimization, and an electronics lab to develop and modify hardware and software, he said.

**ROK: Kim Yong-sam on Plan for New Labor-Management Relations***SK2404073896 Seoul YONHAP in English  
0542 GMT 24 Apr 96*

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — President Kim Yong-sam announced Wednesday a plan to inaugurate at an early date a "committee for reforming labor-management relations" with a view to building a first-rate country.

The chief executive made the announcement at a Chongwadae [presidential offices] meeting on labor-management relations reform formulas.

"The old-fashioned labor-management system and practices implemented in the past era of authoritarianism and industrialization promise the nation neither business prosperity and national development, nor elevated quality of life for workers," President Kim said in explaining the plan. "Our labor-management relations also must be changed and reformed in a way befitting the new era."

Workers' potential and creativity cannot be fully developed while their relations with the management remain confrontational and based on conflict, Kim said, adding, "It is very important to reform labor-management relations so as to transform workplaces into 'an arena of common study' and 'a workplace worthwhile to work for.'"

Touching on amendments to labor laws, Kim said, "The excessively restrictive laws and institutions of the past must be readjusted in a pliable and flexible manner and revised in a way compatible with international standards and practices."

Subject to revision are the current bans on allowing multiple unions, third-party intervention in labor disputes and political activities by unions, according to a Chongwadae official.

To help implement the plan for new labor-management relations, including labor law revisions, a committee will soon be formed and will include men of exalted ideas and high moral repute from various walks of life, union and management representatives, academicians and other experts, according to President Kim.

Kim cited five principles for new relations between labor and management — the maximization of the common good, participation and cooperation, autonomy and responsibility on the part of both labor and management, emphasis on education and respect of human rights, and globalization of institutions and awareness.

Kim called on management to outgrow their authoritarian concepts of management to embrace open and

humanistic management strategies. He also called on workers and unions to wage rational and productive labor movements that go along with the development of the national economy.

Stressing the need for social consensus on new labor-management relations, Kim added, "The government also must help legislate rational laws and institutions, enforce them strictly and faithfully fulfill its role as a fair intermediary."

Approximately 220 people from labor and management organizations and other related agencies including the Federation of Korean Trade Unions Chairman Pak In-sang and Korean Employers Association President Yi Tong-chan attended the meeting.

**ROK: Major Economic Organizations Welcome New Labor Policy***SK2404101196 Seoul YONHAP in English  
0713 GMT 24 Apr 96*

[FBIS Transcribed Text] Seoul, April 24 (YONHAP) — Four major economic organizations welcomed President Kim Yong-sam's announcement Wednesday that the government will soon form a "committee for reforming labor-management relations" to build a first-rate country.

They hoped, however, that the government will collect various opinions from the labor, management and academic communities and assess the practicality of new policies before making any final decision regarding new policies.

In his announcement Wednesday, President Kim Yong-sam said that South Korean labor-management relations must be changed and reformed in a way befitting the new era.

The Korea Employers Association issued a statement on the government's plan for new labor policies and welcomed such adjustments as a move in the right direction.

The statement pointed out, however, that the plan should not be accepted if only a few specific labor-related articles are revised such as the allowing multiple unions and third party intervention during labor disputes.

"We hope that the government will listen to the labor, management and academic communities and prudently determine whether or not new policies are practical for establishing new labor-management relations that will help spur economic development in South Korea," the statement said.

The Federation of Korean Industries and the Korean Chamber of Commerce and Industry also welcomed



President Kim's announcement, but hopes that the government will listen to the opinions of people from all walks of life to establish a new labor-management relations welcomed by everybody.

The Korea Federation of Small Business [KFSB] praised the plan to establish a new labor policy, and suggested that it reflects the government's strong will to help businesses improve labor-management relations in a way that will result in a peaceful labor movement.

The KFSB, however, asserted that the government must consider how small businesses will be affected if multiple unions and third party intervention are allowed during labor disputes.

In his announcement made earlier in the day, President Kim cited five principles for new relations between labor and management — the maximization of the common good, participation and cooperation, autonomy and responsibility for both labor and management, an emphasis on education and respect of human rights and the globalization of institutions and awareness.

#### **ROK: Shipbuilding Sector Urged To Beef Up Labor Safety Measures**

SK2404023796 Seoul THE KOREA HERALD  
in English 24 Apr 96 p 3

[FBIS Transcribed Text] The local shipbuilding industry is being required to beef up safety measures, with its industrial accident rate recording more than double the nation's overall average the Ministry of Labor Affairs said yesterday.

The number of shipbuilding workers who were injured or died in the wake of industrial accidents stood at 1,876 last year, accounting for 2.18 percent of the total 85,892 workers from 536 work places.

The nation's overall industrial accident rate marked an average of 0.99 percent last year.

"The average industrial accident rates have decreased by 13 percent in the nation since 1993, but they have never dwindled in the shipbuilding sector," a ministry spokesman said.

According to the ministry's statistics, the number of those shipbuilding workers victimized by industrial accidents stood at 1,293 in 1993, or 2.05 percent of the total 63,030 workers and 1,660 in 1994, or 2.2 percent of the total 75,432 workers.

Forty seven shipbuilding workers suffered such occupational diseases as solvent poisoning, hearing difficulty and nervous disorder last year, a 51.6 percent rise from 31 in 1993.

During the first four months of this year, 11 workers died in industrial accidents at shipyards nationwide with eight from Hyundai Heavy Industries Co. and three from Halla Engineering & Heavy Industries Ltd.

Some 500 workers at the shipyard of the Hyundai Heavy Industries Co. entered a fourth consecutive day of work stoppage yesterday, calling for measures to prevent industrial accidents.

The ministry yesterday decided to order the nation's top 10 shipbuilding companies to conduct a comprehensive safety and health inspection.

#### **ROK: Reduction in 'Letters of Credit' Arrivals Causing 'Alarm'**

SK2404043296 Seoul THE KOREA TIMES in English  
24 Apr 96 p 8

[Report by staff reporter No Chun-hon]

[FBIS Transcribed Text] A sharp reduction in the arrival of letters of credit (L/C) in the first quarter of this year, coupled with the worsening international trade conditions, is causing alarm among businesses.

According to statistics at the Ministry of Trade, Industry and Energy [MOTIE] yesterday, L/C arrivals in the first three months of this year actually declined 1.9 percent compared to the same period last year.

The total arrival of L/Cs in the first two months improved by 0.2 percent compared to the January-February period of last year but fell 5.2 percent in March. L/C arrivals are often used to forecast exports a few months in advance.

Adding to the poor L/C situation is the fall in the prices of semiconductors, the continuing depreciation of the Japanese yen, and the appreciation of the won and the dollar in the international market.

A ministry expert said the relentless appreciation of the yen against major currencies early last year nudged Japanese companies to regain competitiveness by relocating manufacturing overseas.

"Now that Japanese companies have been able to cut manufacturing costs and the yen is falling in value, Korea's relative competitiveness in the global market is suffering," one official explained.

Recent developments have especially been challenging for the domestic semiconductor industry, which accounted for almost 20 percent of all exports last year as prices have been falling drastically.

Industry observers are optimistic that prices of products like dynamic random access memory (DRAM) chips

are recovering, but they will not be anywhere near what they used to be a year ago.

Trade officials, however, dispute the negative outlook for the domestic export industry. In fact, they argue that L/Cs no longer offer an accurate forecast for future export trends.

"If you look at last year, the increase in L/C arrivals was just 15 percent as opposed to the actual growth of more than 30 percent. L/Cs are increasingly being replaced by other export forms," said one official.

Kim Chang-yol, MOTIE's director for exports, said L/Cs accounted for 68.7 percent of the exports in 1990, but the figure had fallen to 49.4 percent last year, a fall of nearly 20 percent in just five years.

L/Cs, under which payments are made to banks prior to shipments, are increasingly being replaced by documents against payment (D/Ps) and documents against acceptance (D/A), which allows for deferred payments.

"Owing to the fact that exports improved tremendously last year, we can only look forward to more stable growth of around 14 percent this year, thus making it appear as if exports were falling," Kim explained.

Nevertheless, he added, industries like shipbuilding and steel are in for tougher competition, and Korean companies need to find ways of cutting costs and enhancing productivity if the export goal is to be met.

In the first quarter of this year, exports reached 31.833 billion dollars for an increase of 21.5 percent, while imports hit 35.677 billion dollars, up 16.9 percent, for a trade deficit of 3.844 billion dollars.

#### **ROK: Minister Scraps Plan To Institutionalize Money Lenders**

SK2404014896 Seoul THE KOREA TIMES in English 24 Apr 96 p 9

[FBIS Transcribed Text] Deputy Premier-Finance and Economy Minister Na Ung-pae said yesterday that the government will scrap a plan to convert curb loan market dealers into institutionalized money lenders.

The Korea Institute of Finance (KIF) had urged the government to bring to light the underground lending market, scaled at 11 percent of the gross national product (GNP).

Currently, interest rates in the curb market range from 25 to 40 percent per year and loan sharks do not pay tax on the interest income.

#### **ROK: ROK Earmarks W300 Billion To Promote Employment of Disabled**

SK2404042996 Seoul THE KOREA TIMES in English 24 Apr 96 p 3

[FBIS Transcribed Text] The government has drawn up a five-year plan to promote the employment of the handicapped and has earmarked 300 billion won for it.

Under the plan, the Labor Ministry will establish two job training centers for the handicapped as well as 15 factories that will only employ seriously disabled persons.

To fund construction of the factories and create other job opportunities for the handicapped, the government will extend 186 billion won in subsidies to private enterprises taking part in the projects.

For an effective control of the handicapped workforce, the ministry will set up a "handicapped ability evaluation center" with an investment of 11 billion won.

This affirmative action program was drawn up on the judgment that the disabled still are shut out of job opportunities five years after the enactment of the Law on Promotion of Handicapped Employment, a Labor Ministry spokesman said yesterday.

Under the law, government agencies and other state-run organizations, and private enterprises employing more than 300 workers must set aside 2 percent of all jobs to the handicapped.

However, the public and private sectors both are failing to meet this requirement, with less than 1 percent of total jobs being given to them as of the end of 1995.

The plan also features the introduction of a new high school course, called "three plus one," under which the disabled will undergo specialized job training in their senior year.

By the year 2000, the ministry will open 20 such special high schools across the nation at a cost of 8.6 billion won.

To encourage more hiring of the disabled, the government will increase the monthly grant to employers, currently set at 159,000 won per handicapped worker, to 173,000 won, the spokesman said.

Employers will also be eligible for special loans to be used in constructing handicapped-friendly working facilities and other allowances needed to hire the disabled.

Currently, there are 1.05 million handicapped persons in Korea. Among the 992,000 disabled aged 15 or older, those with jobs account for just 30 percent.

Even among those with jobs, the self-employed account for the majority with their number being 192,000, as of the end of last year.

It was also found that 70 percent of the disabled leave their jobs because they have problems adapting. Among the 2,736 who were hired last year, only 820 are currently retaining their jobs, a ministry report showed.

This high rate can be attributed to hostile working conditions above all, in addition to their poor educational background, the spokesman said.

To improve public awareness of the need to improve the lot of the disabled, the ministry will designate September as the month of the handicapped, he said.



**Cambodia****Cambodia: Central Bank To Ban Circulation of U.S. Currency**

BK2404061796 Phnom Penh REAKSMEI  
KAMPUCHEA in Cambodian 24 Apr 96 pp 1, 4

[Report by Kamrang]

[FBIS Translated Excerpt] The present circulation of the Cambodian riel together with the U.S. dollar, and the Thai baht throughout Cambodia has adversely affected our national currency. The National Bank of Cambodia will soon impose fines on foreigners and those found to be using dollars in the market.

National Bank Governor Thao Pengleat said at a recent meet-the-people's forum that the dollar would not be allowed to circulate freely in the market as before. Payments at various places, including restaurants and hotels, should be made in riel, which is the national currency.

The governor added that the move is aimed at enhancing the value of the riel, which has remained stable since they were printed a few years ago.

This regulation requiring the use of only riel banknotes in the market is also tantamount to preserving the nation's territorial integrity. Why? Because countries all over the world use their own currencies. If we as a nation allow foreign currencies to circulate freely in our country, then to talk about our territorial integrity would be completely nonsensical.

Thao Pengleat added that a two-tier plan will be implemented to effectively terminate the use of the dollar in the market:

1. First, the national bank will advise officials, in particular top leaders who regularly use the dollar, to set themselves as examples to our people by only using the national currency. This notice will be unproductive if officials and leaders continue to use dollars, even after national bank issues an immediate ban on its circulation and fines are imposed.
2. Second, once our officials and top leaders have already made themselves to be good models, the national bank will issue a regulation requiring the use of riel notes all over the country.

The governor added that before imposing a fine for using dollars in the market, the national bank would set up several exchange booths in cities, provincial towns, and public places. People are required to exchange their dollars for riel banknotes, as they will not be allowed to use dollars in the market anymore. Those who violate this notice will certainly be fined by competent authorities. [passage omitted]

**Cambodia: FUNCINPEC, CPP To Discuss Power Sharing 'This Month'**

BK2404080496 Phnom Penh CAMBODIA TIMES  
in English 14-20 Apr 96

[Report by Chheang Sopheng — received via Internet]

[FBIS Transcribed Excerpt] Phnom Penh — FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] president Prince Norodom Ranariddh and party secretary general Loy Simchheang will meet Cambodian People's Party (CPP) president Samdech Chea Sim and vice-president Samdech Hun Sen this month to resolve the crisis over power sharing.

The four leaders will discuss FUNCINPEC's demands for equal sharing of power at the communal and district level, an issue that had caused a rift between the two coalition partners last month.

The decision for talks among the four leaders was reached at a meeting between the two parties held at the Cambodiana Hotel on April 9.

Each party was represented by eight members of their respective steering committees. The FUNCINPEC team at the meeting, which was led by steering committee member Ing Kiet, also comprised Loy Simchheang, vice-secretary general Chhim Siekleng, and Yu Hokkri, also a steering committee member.

Among those in the CPP team were steering committee members Sar Kheng, Chem Sgnuon and Sok An.

Chhim Siekleng told THE CAMBODIA TIMES the ties between both parties were brought up for discussion and they agreed to strengthen cooperation between them in the government, the National Assembly and at the grassroots level.

He said the two parties agreed to discuss their problems further and to find ways to resolve these problems.

Chhim Siekleng, who is also the mayor of Phnom Penh municipality, said the top leaders of the two parties would meet after the Khmer New Year celebrations to discuss the power sharing issue. [passage omitted]

**Cambodia: NADK Commends Success on Malai, Pailin Battlefields**

BK2404035596 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 22 Apr 96

[FBIS Summary] The Supreme Command of the National Army of Democratic Kampuchea on 22 April issued a commendation to "cadres, combatants, and poor

peasants of the Malai-Sisophon and Pailin battlefields for handing a total and most shameful defeat to the major campaign of communist Vietnam, its puppets, the alliance, and the two heads."

The commendation pointed out that in their death-throes, the enemies jointly devised a so-called final campaign to seize the bases of the resistance forces in the Malai-Sisophon and Pailin areas of western Cambodia.

It said: "This last-ditch effort was totally and ignominiously defeated by the national resistance forces of Democratic Kampuchea (NRFDK) and people, particularly the poor peasants. This was the third major dry-season campaign of communist Vietnam, the alliance, and their two-headed lackeys to have been utterly defeated since 1993."

It noted that the enemies wagered all the forces and equipment at their disposal in this "final bet" to beat the NRFDK, adding: "The United States, France, and Australia were directly involved in cooking up this plan, while Japan and others in the Western alliance gave it financial support. Communist Vietnam and the traitorous two heads executed this plan against the Cambodian people's resistance forces in what they considered as their decisive campaign."

The commendation cited that "nearly 100 T-55 tanks, 20 additional planes, dozens of cannons, hundreds of troop trucks, ammunition trucks, and water trucks, dozens of multiple-rocket batteries, and millions of landmines, especially Australian one with signs of the cross on them" had been purchased for this operation. It then added said that over 20,000 enemy infantry men were deployed against Malai and Pailin, regarded by the enemies as Democratic Kampuchea's as the most important economic and military strongholds. "They thought the capture of these bases would also choke Democratic Kampuchea to death," the commendation said.

The commendation noted that "in the execution of this plan, the enemies would not hesitate to violate the territorial integrity of a neighboring country in order to attack the resistance from the back." It gave this account: "According to an initial tally, we destroyed more than 30 tanks and damaged more than 20 others. We destroyed a dozen armored personnel carriers and damaged a dozen others, and destroyed and damaged dozens of troop trucks and water trucks and dozens of cannons. We also killed over 2,000 soldiers, wounded over 3,000, and forced over 5,000 others to desert. This so-called decisive plan was thus completely defeated in early April 1996."

The commendation then disclosed that enemy deserters, most of them new recruits, had sold ammunition to the resistance forces, including hundreds of crates of AK, B-40, and Koryunov ammunition and 100-mm and 120-mm artillery shells.

It described three factors that contributed to the enemy debacle in western Cambodia: The "strategic" weapons of all categories — stakes, punji pits, tank traps, mines, and sniper fire; NRFDK's heroism and sense of responsibility; and NRFDK's concerted attacks in other regions, which helped pin down enemy troops, making it impossible for them to be moved out as reinforcements.

The commendation also noted a trend where guerrillas are now conducting their activities closer to Phnom Penh. It said: "Talking about battlefields, we must point out that our frontline is shifting toward the northwest of Phnom Penh. We are opening a new, major battlefield which covers the districts of Kompong Tralach, Thpong, Oddong, and Samraong Tong right on the doorsteps of Prek Phneou and Pochentong." It added that this battlefield is being manned mostly by "palm climbers armed with palm knives just northwest of Phnom Penh itself."

Hinting that the two-headed army and police would not be able to stop this army from entering Phnom Penh and smashing the heads of Hun Sen, Chea Sim, Sar Kheng, and Tie Banh, the commendation again praised the NRFDK for their triumph, adding: "The course the enemies are taking is one that leads them toward total collapse. [Chief of Staff] Ke Kimyan and other commanders should be crucified. They have failed to recruit new soldiers because the people both in the countryside and the cities are opposed to the war. It is also believed that the West will not sponsor new campaigns because of the repeated debacles they have suffered."

#### **Cambodia: New Bill To Ban Dual Citizenship for MPs, Officials**

BK2404012896 Phnom Penh *CAMBODIA TIMES*  
in English 14-20 Apr 96

[Report by Heng Sinit and Seng Charlie — received via Internet]

[FBIS Transcribed Text] Phnom Penh — A law requiring high-ranking government officials and MPs to have only Cambodian citizenship is drawing flak from various quarters.

The article, which some MPs are trying to insert into the draft of the Citizenship Bill bans all ministers, secretaries of state, under secretaries of states and

members of the National Assembly from holding the citizenship of other countries.

The first of the 24-article Citizenship Bill, which will define who is eligible for Cambodian citizenship, was drafted by the cabinet last year, but it never reached the National Assembly.

Early this year, a revised bill was again sent to the National Assembly Commission of Interior, National Defence, Investigation and Anti-Corruption for verification on April 2.

The bill was also sent to the Permanent Committee of the National Assembly for deliberation.

However, the commission later proposed that a new article preventing high-ranking officials of the government from having dual citizenship be inserted into the draft bill.

The commission comprises four members from the Cambodian People's Party (CPP), two members from FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and one from the Buddhist Liberal Democratic Party (BLDP).

The commission secretary Sar Sa-at said it was important that those in the government had only Cambodian citizenship.

"Otherwise their loyalty to the country may be in doubt. Whenever there is an unpleasant event or when there is trouble, these people could just pack up and leave the country," he added.

Sar Sa-at said the article would cover both prime ministers, cabinet ministers, secretaries of state, under secretaries of state and members of the National Assembly.

He said, under the article, these people would be required to give up their foreign citizenship and take an oath saying that they would abandon their foreign nationalities and have only Cambodian citizenship to serve the nation and the people.

However he would not say what action would be taken against any government official or MP who refuses to give up his foreign citizenship.

Sar Sa-at, who described the bill as "complicated", said representatives of the government and the Ministry of Interior Yu Hokkri and Sar Kheng would be invited for consultations over certain provisions in the bill after the Khmer New Year celebrations.

More than 25 members of the Cambodian government are also citizenship holders of countries where they had lived after they fled the Lon Nol and Khmer Rouge regimes.

While a handful of them are willing to opt for only Cambodian citizenship, most are adamant about holding onto their foreign citizenship.

FUNCINPEC MP Ahmat Yahya said he would give up his seat in the National Assembly if he was forced to give up his American citizenship.

"I can find work with an NGO [nongovernmental organization]," he told THE CAMBODIA TIMES.

The Under Secretary of State of the Information Ministry, Sieng Lapresse alleged that the new article could be used as a weapon to turn against the Khmer people.

Sieng Lapresse, who is a BLDP member is also an American citizen.

Sok-huo Mu Lieper, the Advisor on Women's Affairs to First Prime Minister Prince Norodom Ranariddh, said she would give up her American citizenship if the law was passed.

The draft bill was slated for debate when the National Assembly sits again on April 19, but with the current controversy, there is doubt that it would be on the agenda.

Huot Peou, an assistant to the commission, said debate on the bill might be delayed because of the controversy.

"The National Assembly will probably just debate other issues, like the new Drugs Law when it sits again this week," Peou added.

#### **Cambodia: Thai Envoy Rejects Environmentalists Blame for Log Trade**

BK2304034796 Bangkok THE NATION in English  
23 Apr 96 p A7

[Report by Marisa Chimprapha]

[FBIS Transcribed Text] Thailand should not be criticized for playing a part in the destruction of Cambodian forests simply because Thai companies are granted permission to export logs to Thailand, a senior Foreign Ministry official said.

Strict enforcement of a measure to record the place of origin and the exact number of cubic metres of logs to be exported would be implemented by the Cambodian government, Thai Ambassador to Cambodia Domdet Bunnak said yesterday.

"The wood allowed to be exported under the agreement signed by Cambodia's co-premiers, Prince Norodom Ranariddh and Hun Sen, must be for those logs felled before April 30 last year. All processes concerned, including collection of taxes, will be the responsibility of the Cambodian side," Domdet said in Phnom Penh.



The ambassador was responding to criticism that 18 Thai firms that have been granted permission to export logs from Cambodia are responsible for destroying Khmer forests.

"Cambodia is selling the logs to us (Thai logging companies), and we are buying them. We cannot force sellers to sell something to us if they do not want to. We just respond to what is offered," he stressed.

British environmental group Global Witness questioned in its report released recently that there is a discrepancy between the total amount of logs allowed to be exported — about one million cubic metres — and the number of logs already cut, 330,000 cubic metres.

It said the discrepancy implied that loggers could continue to fell trees.

The Cambodian government has imposed a ban on logging since April 30 last year, claiming it was trying to preserve the remaining forests in the country, the number of which have been decreasing rapidly.

Many Thai logging companies, the major loggers in Cambodia, suffered the most as they failed to export logs already felled before the ban became effective.

"The number of logs which passed the screening measures by the Cambodian side could be less than one million cubic metres. The number is only an estimate," Domdet said.

Prince Ranariddh has recently defended the agreement, saying that it was to ensure the Cambodian government received some income from the wood already felled before the ban but which was being exported by the Khmer Rouge from its area near the Thai border.

The Prince said that Thai traders and the Khmer Rouge would surely find a way to make a deal to export the felled logs from its controlled areas and so the legitimate Cambodian government would lose income.

It is believed that most of the felled logs are in areas controlled by the Khmer Rouge, which continues to resist the Cambodian government.

Global Witness also questioned where the money earned from the exported logs would go, which is estimated at between US\$350 and US\$600 million (Bt8.76 billion and Bt15 billion) on the world market.

#### **Cambodia: Article Assesses Current Political 'Tension'**

*BK2404075796 Phnom Penh PHNOM PENH POST in English 19 Apr-2 May 96 pp 1,3*

[Article by Jason Barber]

[FBIS Transcribed Text] Rumors of coup attempts, unusual troop movements and feared clashes between FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Cambodian People's Party (CPP) swirled through Phnom Penh in the past several weeks, but it was unclear whether they were anything more than hot air.

Both Prince Norodom Ranariddh and his co-Prime Minister Hun Sen were said to have boosted their personal security, while their parties drew up strategies for armed confrontation against each other.

Hun Sen spoke publicly of a plot to kill him, and warned that he would suppress any "poisonous reactionary forces" who bid to seize power.

There were reports, relayed to Hun Sen on at least one occasion, that FUNCINPEC was moving senior military commanders and troops from Cambodia's northwest toward Phnom Penh.

The rumors peaked over the Khmer New Year but, at the POST's press time, had proved groundless.

Government officials and MPs [members of parliament] downplayed the seriousness of the situation, suggesting that Hun Sen and Ranariddh were simply covering their backs rather than planning to attack each other.

"If something happens, it will happen in Phnom Penh, so he has to have some of his army to help him here," said one FUNCINPEC MP of Ranariddh.

A government official said there had been persistent rumors of movements of soldiers and armored personnel carriers in and around Phnom Penh.

While "we should not minimize or under-estimate the situation", the official did not believe either side would initiate violence.

"I think that the leaders of both sides are receiving zealous, exaggerated reports from their collaborators on security matters.

"They are in a poker game of words, of false reports."

At one stage last week, he said, Hun Sen was informed that senior FUNCINPEC General Nhoek Bunchhai was moving troops from the Battambang frontlines toward Phnom Penh. In fact, Bunchhai was still in Battambang.

FUNCINPEC sources said that Bunchhai had reportedly threatened to return to Phnom Penh if the CPP chief of general army staff, Ke Kimyan, left Battambang for the capital. The government official said FUNCINPEC and CPP had each called meetings of their military and security officials to prepare for any fight between the parties, but he insisted that both sides were only making contingency plans.

"It's not abnormal to prepare a scenario like 'if something happens, what should we do?' It doesn't mean you are intending to do it."

While acknowledging that "if there was a real crisis, there would be bloodshed," the official believed the tension was easing.

Hun Sen, in a speech broadcast on radio April 8, said he had information about an assassination plot against him and vowed to "step on the neck" of anyone who tried to kill him. In apparent reference to the case of exiled Prince Norodom Sirivut, Hun Sen said he had survived one murder plot and warned people not to "dream" about planning another one.

On April 12, Hun Sen urged Cambodians to celebrate the New Year normally, despite rumors that the holiday "won't be happy."

"No matter how poisonous the reactionary forces will be, I can suppress them," he said in reference to a coup. "And if they want to try, I'll show them...in order to ensure safety and security for the people."

"I cannot allow anyone to act unwisely, no matter who he is."

Both Ranariddh and Hun Sen maintain sizable personal bodyguard forces, or "private armies" as one political observer put it. Ranariddh also has troops and tanks stationed at Pochentong airport, where he has a plane.

But few observers credit FUNCINPEC with enough military clout to win a battle with CPP. Much of the military, and the security forces of the Ministry of Interior, is widely believed to be under CPP control.

Officials and observers said neither side would benefit from a fight. Several said that the biggest danger was a few "zealous" people whose actions or words could be misconstrued — mistakenly or otherwise — and prompt a violent reaction.

The behind-the-scenes anxiety and distrust was played out amid conflicting public signals from FUNCINPEC and CPP over their relations, which plummeted after Ranariddh last month complained of his party's lack of real power.

Ranariddh and Hun Sen met each other in Kompong Cham April 5, as top officials from both parties were publicly maintaining there were no real problems between the pair.

Four days later, Deputy Prime Ministers Sar Kheng (CPP) and Ing Kiet (FUNCINPEC) led party representatives in the first official discussions to try to resolve their differences.

The meeting agreed to keep the government coalition, settle all problems peacefully and hold further meetings, sources say. Also agreed was that a joint communique be issued to express the parties' commitment to working together, and that a kind of "summit" be held by their top leaders. At press time, the communique had not been issued.

On April 12 Hun Sen seemed to reaffirm a hard-line position against FUNCINPEC, declaring that he "absolutely" refused to sign any CPP district officials' positions over to FUNCINPEC.

"Don't be cheated and hope that by joining a political party, you will get a government job," he advised the public.

District-power sharing was one of the key demands made by Ranariddh when, at a Mar 21 FUNCINPEC congress, he described himself and his party as a "puppet" in the coalition government.

Meanwhile, King Norodom Sihanouk — who has suggested he host roundtable talks between the Prime Ministers — said this month that he would abdicate and abolish the monarchy if most Cambodians wanted that.

His statement, in an interview with Royal Palace staff made public April 10, was made in apparent reference to the prospect of Hun Sen becoming head of state if Cambodia were to become a republic.

The King was asked by his interviewers to comment on reports that elderly Prey Veng women had told Hun Sen, on a recent visit there, that they wanted him to hold a position higher than that of Prime Minister.

The King, noting Hun Sen's reply that he had no such ambitions, said the Prime Minister had shown that he was a selfless patriot.

However, the King said, if the Cambodian people wanted to elevate Hun Sen, "this desire could be expressed by a national referendum."

"If an absolute majority of our people pronounce themselves against the monarchy and for the republic, the monarchy will step aside," the King said.

Earlier, in an unrelated matter one of King Sihanouk's North Korean bodyguards knocked into Hun Sen during the inauguration of a market in Kompong Cham April 5.

The Prime Minister wore a sling after the incident, in which the King's bodyguards jostled with Hun Sen's security staff. One North Korean accidentally ran into Hun Sen reportedly striking his left arm with a holstered gun. The chief of the Royal bodyguards apologized to Hun Sen, and the King extended his public apologies.

#### **Cambodia: 'Open Conflict' Possible in National Assembly**

BK2404092796 Phnom Penh PHNOM PENH POST  
in English 19 Apr-2 May 96 p 3

[Report by Jason Barber]

[FBIS Transcribed Text] The National Assembly is due to resume today (April 19), after a three-month recess, in what will prove a critical test of the state of the government coalition.

FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and Cambodian People's Party (CPP) MPs could begin voting against each other in blocs if their parties' public rivalries have not been adequately soothed.

As neither side has an outright majority, the passing of new laws could be hampered, as well as the appointment of new ministers.

Several observers suggested this week that the parties' leaderships would work out an arrangement to avoid open conflict in the assembly, providing that no contentious legislation was introduced.

A draft nationality law, however, could easily become a political football if CPP tries to introduce a ban on politicians and civil servants from holding dual citizenship.

At a recent meeting of the National Assembly's permanent standing committee, several members urged that the resumption be delayed to give time for the FUNCINPEC-CPP strife to be resolved. The committee finally decided against a postponement, to keep the assembly's legislative schedule on track.

One of the first items on the agenda will be a vote on the appointment of FUNCINPEC's nominee for the new position of Minister of Women's Affairs, Mu Sochua, and her CPP deputy, Im Run.

Ministerial appointments require a two-thirds majority vote of the assembly. Sochua — subject of a poison pen

letter campaign opposing her nomination — cannot get the post without some CPP votes.

FUNCINPEC and assembly officials played down the prospect of Sochua being rejected by MPs [member of parliament], saying that both Hun Sen and the Council of Ministers had endorsed her nomination.

New laws need to be passed by the assembly by a simple majority, at least 61 of 120 votes — which neither FUNCINPEC nor CPP has alone.

FUNCINPEC has 58 seats, and CPP 51, with the Buddhist Liberal Democratic Party [BLDP] having 10 and Molinaka one. The balance of voting power would lie with the divided BLDP if FUNCINPEC and CPP voted against each other.

"The line is well marked by both sides," one FUNCINPEC MP said this week of the current political deadlock.

"Will there be some line that CPP will vote against everything put forward by FUNCINPEC? If that happens, it means they [CPP MPs] will have received that order."

Said another: "If that's the game, we will have to do the same."

The first two laws due to go before the assembly are relatively uncontroversial: a pharmaceutical control law and a public company law.

More thorny will be the nationality law, not expected to get to the assembly till at least late next month. The law — crucial for determining who is a Khmer citizen — is currently being held up at the assembly's Commission on Home Affairs, National Defense, Investigation and Anti-Corruption.

FUNCINPEC MPs say several CPP commission members are pushing for a provision to be put in the draft law prohibiting politicians and officials from being citizens of both Cambodia and other countries.

One MP lashed out at the CPP move as "more than stupid" and a direct attack on FUNCINPEC and other parties "involved with the [anti-Vietnamese] resistance". Many FUNCINPEC members — from Prince Norodom Ranariddh down — hold dual citizenship.

The MP urged political leaders to speak out on the issue.

"They must defend the principles of right to citizenship and the recognition that Cambodia is still in a transition. They must recognize the actual situation in Cambodia."

Another MP said that, if forced to give up his foreign passport or his seat in the National Assembly, he might well choose to resign and join an opposition party.



Ranariddh's Cabinet chief, Li Thuch, said: "I think that it's not a loss for a country like Cambodia where Cambodians have children who can have two citizenships.

"I don't think that's a bad thing. We must be open-minded, and look at the world, the movement around the world."

An adviser to Hun Sen, Om Yinteng, had no comment on FUNCINPEC- CPP relations except that "the CPP has no reason to go against FUNCINPEC."

Bou Thang, the chairman of the assembly commission studying the draft law, could not be contacted for comment over the Khmer New Year. But he is understood to have sought a meeting with co- Interior Ministers Sar Kheng and Yu Hockri on the matter.

The official government draft approved by the Council of Ministers does not include any ban on dual citizenship for politicians, but such a campaign for such a ban has been rumored for months.

#### **Cambodia: Report Views Prospect of Local, National Elections**

BK2404080896 Phnom Penh PHNOM PENH POST in English 19 Apr-2 May 96 p 7

[Report by Jason Barber]

[FBIS Transcribed Text] Preparations for next year's scheduled commune elections are unlikely to be finished on time raising fears about the chances of national elections being able to be organized for 1998.

"Technically, it's already too late for 1997," a senior Ministry of Interior official said last week about the holding of commune elections.

"We are focusing on the local elections but we are also worried about the national election preparations.

"The politicians, they say elections in 1997 and 1998, but they don't think [about the technical ground-work...they must face the realities," said the official, who requested anonymity.

The commune elections, which the ministry has responsibility for organizing, were originally scheduled for this year but then delayed until mid-1997.

The ministry is now working to a timetable, produced with the help of a French expert, which aims for local election preparations to be completed by December 15, 1997.

A host of work has to be done — including the passing of an electoral law, a nationality law and a law governing political parties, as well as voter registration and education and the training of election staff — before the elections can be held.

The ministry official said draft commune electoral law, expected to be sent to the Council of Ministers in May or June, could take anything from "a few months to nearly a year" to make its way to the National Assembly.

If there was political bickering over that law or the other ones, the process could be further delayed he said.

The ministry had yet to begin work in earnest on the national elections scheduled for 1998, although much of the work done for the commune elections — such as voter registration — could also be used for them.

The official disputed that political willpower for elections was lacking, saying the problems were merely technical ones which could be worsened by political disputes.

Another official, Ok Sereisopheak, said: "To be frank and sincere, I believe that nobody knows when we will hold the (commune) elections.

"If there should be any delay, it should be a few months, not six months or a year, unless there is some political reason.

"We should not be too concerned about the date. We should be concerned about getting things off the ground quite quickly from now on."

He said the electoral and other laws should be passed soon as "this is the commitment of the government to the electoral process."

If there was no progress on the laws, "it will appear that the political will [for elections] is not there — and that's not true." He noted that both Prime Ministers had publicly supported the holding of commune and national elections.

Sopheak, an adviser to the CPP [Cambodian People's Party] co-Minister of Interior Sar Kheng, said that technically, he saw little possibility of a national election being able to be held before 1998.

FUNCINPEC president and First Prime Minister Prince Norodom Ranariddh recently suggested the party could force an early election if it could not secure equal power with CPP in the coalition government.

"Whatever political decisions they have to make, they will be the ones who have to make them," Sopheak said of Cambodia's political leaders.

"I'm not a politician. They are. But from a technical point, there are so many details that need to be resolved, that I don't see any possibility of an early election."

Meanwhile, some NGOs are also growing increasingly worried that the government's electoral schedule is off track.

A timetable produced by NGOs after a Ministry of Interior electoral conference last October called for a commune election law to be in place by March this year.

One NGO chief said this week that the government was "hopelessly behind" in its planning.

"If the commune elections are late and there are changes in personnel there, that could take several months. These same people will also at the same time be responsible for arranging national elections on a local level."

He said that theoretically CPP, which controls most communes now, could think that it would be wiser to delay the commune elections until after the 1998 national election.

Another option was that the two elections be held at the same time but that was opposed by some NGOs on the grounds it would be too confusing for many Cambodians still new to the idea of elections.

A key issue for NGOs was the extent of involvement in the electoral process that the government was willing to permit them, he said.

So far, control was firmly in the hands of Ministry of Interior committees, which — though anxious to secure foreign funding for the elections — were far less keen to have NGO representatives on them.

#### **Cambodia: Lack of Democracy Prompts French MP To Urge Reviewing Aid**

BK2404080796 Phnom Penh PHNOM PENH POST  
in English 19 Apr-2 May 96 p 7

[Report by Christine Chaumeau]

[FBIS Transcribed Text] France cannot keep giving aid to Cambodia unless the Kingdom makes improvements toward democratization, according to French MP (member of parliament) and former Secretary of State for Human Rights Claude Malhuret.

Malhuret, in an interview on RADIO FRANCE INTERNATIONALE, said that the French and other governments due to gather in Tokyo in July to discuss Cambodian aid "have to wonder about the way aid has been used."

"Cambodia is certainly no more a democracy," he said.

Malhuret said there had been a political, economic and social failure in Cambodia which was "very serious" considering the amount of aid which have been provided since the 1991 Paris Peace Accords.

"In 1998, elections are scheduled but it is more and more unlikely they will take place. In any case, it is unlikely it will be a free and fair election. All the countries that

signed Paris Peace Agreements should be worried, and asking for a return to democracy," Malhuret said.

He quoted First Prime Minister Norodom Ranariddh saying recently in Hong Kong that problems existed with Hun Sen, the Second Prime Minister, and that Ranariddh still hoped elections will occur in 1998.

"When the Prime Minister himself says he hopes elections will occur, it means he fears there won't be any elections," said Malhuret.

He said that the 1993 election took place in the best possible way but that everything changed afterward as CPP [Cambodia People's Party] "little by little" took back the power it had "lost."

"The CPP, who lost the election, has power in all areas — army, administration and at the local level. Today, the opposition is muzzled, there are more and more attacks against the press, Phnom Penh has become a major drug trafficking center in South East Asia. The Western donor countries must be concerned. If they are not yet aware, they will have to face the problem very soon," he said.

Malhuret noted that Rangsi's dismissal from Parliament and Sirivut's "rigged trial" have been maneuvers for a final takeover by "communists."

He said that it was not possible to say the truth inside Cambodia because opponents had been muzzled, three journalists had been murdered and 12 newspapers closed down last year.

He compared Cambodia to some Eastern Europe countries where the only solution for opponents was to say the truth from outside of their homeland.

Malhuret said that Cambodia had been devastated and that a few people were exclusively benefiting from timber, which was leading to rapid deforestation.

He noted that even the economic growth rate of four percent was "false."

"Most of the investors are Malaysian, Chinese or Thai and all that has been invested flows straight out of Cambodia," he added.

French embassy officials in Phnom Penh would not comment on Malhuret's statements. According to a French Embassy spokesman, \$60 million in aid is planned for in 1996.

**Cambodia: Khmer Rouge: Government Troops Withdraw From Front Line**

*BK2404035396 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 23 Apr 96*

[FBIS Translated Text] The following is a report on the withdrawal of the forces of the two heads from the Malai-Sisophon and Route 10-Pailin battlefields:

1. Owing to their major and final plan to retake bases held by Democratic Kampuchea's national resistance forces in west Cambodia, specifically Malai and Pailin, but having been completely and shamefully routed by the National Army of Democratic Kampuchea [NADK] combatants and the poor peasantry, the two heads — the communist Vietnamese puppets — are pulling their forces out of the Malai-Sisophon and Route 10-Pailin one after another. The two-headed commanders and the rank and file who fear death, rushed to get on to the trucks in retreat.

2. However, some forces were left in some areas as resistance forces to prevent the NADK combatants and poor peasantry attacking them from behind on Route 10, at Stoeng Kop, on Route 5, and toward Battambang town.

3. Nevertheless, the poor peasantry and the NADK combatants continued to mount attacks against enemy troops. A part of our forces confronted them, attacked and surrounded their small and medium-sized positions with strategic weapons, such as plain, poisonous, poison-tipped, and multi-pronged stakes and all kinds of landmines, and took turns sniping at them night and day. Another force attacked enemy troops from behind and at the flanks. This is in order to reach Route 10 quickly, and to attack and sweep away enemy forces on the way to the Route 10-Pailin battlefield, and along the Kop river's banks on the Malai battlefield.

**Indonesia****Indonesia: Suharto, Visiting Thai Prime Minister Agree To Expand ASEAN**

*BK2404053396 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 24 Apr 96*

[FBIS Translated Text] President Suharto presided over an official welcoming ceremony for Thai Prime Minister Banhan Sinlapa-acha at Jakarta's Merdeka Palace this morning. The welcoming ceremony was highlighted by a 19-gun salute and a display of the two countries' national anthem.

Speaking after accompanying the Thai guests to the State Guest House, Minister-State Secretary Murdiono told reporters the two leaders had agreed to expand

ASEAN membership. The president and Mrs. Suharto are scheduled to host a state banquet for the Thai leader and his entourage this evening.

**Indonesia: Suharto Holds Talks With Philippine Press Secretary**

*BK2404100396 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 24 Apr 96*

[FBIS Translated Text] The Philippines admires Indonesia's economic development and appreciates the Indonesian people's friendliness toward foreign visitors. Speaking to reporters after he paid a courtesy call on President Suharto at Jakarta's Merdeka Palace today, Philippine Press Secretary Hector Villanueva said the president had briefed him on Indonesia's economic development program.

Speaking to reporters, Information Minister Harmoko said the two sides had signed a cooperation agreement to anticipate global development in information technology.

[Begin Harmoko recording] The talks focused on an exchange of personnel involved in electronic or printed media. We will also develop a network to anticipate the growth of sophisticated information and communications technology, which will in turn support the establishment of an ASEAN Web — a network of satellites for the regional grouping. The Philippines are highly concerned over the inflow of information from outside the region. If ASEAN can work together in this area, telecommunications cooperation will be effectively enhanced. [end recording]

The Philippine press secretary will proceed to Denpasar, Bali, this afternoon as part of his three-day visit to Indonesia.

**Indonesia: Suharto's Son Comments on National Car Program**

*BK2204121296 Jakarta KOMPAS in Indonesian 20 Apr 96*

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta, KOMPAS — The government should give similar licenses and facilities to four Indonesian automotive companies to produce national cars because the domestic market is very large. "The population, soon to reach 200 million, is a potentially large market," Bambang Trihatmojo [President Suharto's second son], head of the Bimantara Group, told reporters in Jakarta on 19 April.

The government has selected Timor Putra Nasional Co. Ltd., belonging to Hutomo Mandala Putra [Suharto's



third son), to become a producer of national cars, but Bambang plans to produce his own brand of cars. The government's policy, based on Presidential Decree No. 2/1996 issued last February, gives tax-free incentives to Timor Putra Nasional Co. Ltd. to produce the national car Timor in a joint venture with South Korea's Kia Motors Corporation.

Bambang said his company will continue to try to obtain a government license for his cars and hopes that his plan will be realized in July 1996. "The government, however, has given no sign of approving our proposal," he said.

Asked to comment on Japan's negative response to the national car program, Bambang said Japan's stand will definitely affect the program, but he believes Japan will not put heavy pressure on Indonesia in view of its huge investments in the country. Bambang also pointed out the fact that one South Korean car manufacturer is capable of producing 5,000 cars a day. "My company will produce about 100,000 cars annually, but it depends on domestic demand and supply," Bambang said, adding that the Bimantara version of the national cars will have 20 percent local content in the initial stage. [passage omitted on Japan's plan to produce Asian cars]

**Indonesia: Opposition Leader Regrets Vanishing 'Political Equality'**

BK2304102296 Jakarta KOMPAS in Indonesian  
23 Apr 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Semarang, KOMPAS — PDI [Indonesian Democratic Party] chairperson Megawati Sukarnoputri, expressed regret that people have begun to lose their political equality because certain groups believe they are more important and powerful than PDI or other Indonesian citizens.

Megawati's message was read by Subagyo Umar, head of the PDI regional branch, at a function organized by PDI women cadres to mark Kartini Day at the Santika Hotel in Semarang on 22 April. Also present among hundreds of women cadres were PDI officials including Dr. Ali Gumay, Suyanto, and Danang Suwito.

Even though Megawati had actually arrived at the hotel, Ali Gumay advised her to take a rest because she had been travelling for several days. She still has to visit other towns in Central Java.

Megawati said the PDI will work hard to provide equality to the people, especially in the political field, because Law No. 3/1995 stipulates that the United Development Party, the Functional Group, and the PDI

have equal status, rights, and responsibility. However, political favoritism is still rampant in the country.

"In its efforts to achieve political equality, the PDI will resort to constitutional means, including the use of mass media. It is regretted however that certain printed and electronic media are not friendly with the PDI," the daughter of Indonesia's first president said.

Therefore, Megawati called on PDI cadres not to be discouraged by reportage from certain media that prefer to highlight the activities of other sociopolitical organizations. Being a PDI cadre means one has to give more than one takes because the PDI does not have much and never promises anything to its cadres.

"The PDI is determined to defend the interests of small people. To do this, giving is the only suitable action, because these people are still unable to defend their interests. Who else but the PDI will protect the small people?" said the PDI chief.

Megawati also called on PDI women cadres to understand women's emancipation in accordance with their nature, which is something beautiful, tender, motherly, orderly, and positive. The noble nature of woman must not be destroyed by those who misunderstand women's emancipation.

**Indonesia: Election Monitor Linked to 'Banned Organization'**

BK2304133796 Jakarta Radio Republik Indonesia  
Network in Indonesian 1200 GMT 23 Apr 96

[FBIS Translated Text] Mulyana W. Kusuma, secretary general of the Independent Election Monitoring Committee [KIPP], was once involved with a banned organization. Lieutenant Colonel Herman Ibrahim, head of the Information Service of the Siliwangi Third Military Region Command, said in Bandung today that Didi Wiardi, head of the Bogor Municipality Sociopolitical Affairs Office, had confirmed that the KIPP secretary general is ranked third on a list of people involved with a banned organization. Those on the list need to undergo special screening to determine their eligibility to vote in the general election.

Mulyana W. Kusuma is ranked third on the list of those involved in the 30 September Movement of the Indonesian Communist Party. Mulyana W. Kusuma, also a criminology lecturer at the University of Indonesia, moved from Bogor to Jakarta without the knowledge of the Bogor Municipality Sociopolitical Affairs Office because he did not report to the office.

## Philippines

### Philippines: Australian Minister Encourages Strong Asian Trade Ties

BK2204120596 Melbourne Radio Australia  
in English 0630 GMT 22 Apr 96

[From the "Pacific Beat" program]

[FBIS Transcribed Text] Australia's Deputy Prime Minister Tim Fischer has made his international debut as Australia's trade minister, delivering a speech this morning in Manila. Mr. Fischer told his audience at the Austrade breakfast that trade with Asia is essential to Australia's economic prosperity and that his aim is to strengthen bilateral links. Two-way trade between Australia and the Philippines grew by 25 percent last year to a billion dollars.

Catherine McGrath reports:

[Begin recording] [McGrath] By any definition, he is an unlikely trade minister, but affable and sometimes naive Deputy Prime Minister Tim Fischer loves his new job. He spent yesterday in a way that any self-respecting Filipino would admire. He had lunch with the head of the Catholic Church, Cardinal Sin, and then he went to mass. It was a story Mr. Fischer told at the opening of his speech.

[Fischer] Ladies and Gentlemen, Friends: I must say I am fortified after having lunch in the house of Sin yesterday — with Cardinal Sin at his home — to embark on this very busy program of meetings with ministers, with the president of the Philippines, and with a wide cross section of the business community, and it is a great pleasure to address this group at the outset of this hectic day.

[McGrath] And it is going to be a busy day for Mr. Fischer: meetings with the trade and foreign ministers, then to Malacanang Palace for a session with President Ramos.

There are currently two Australian ministers touring Asia. Foreign Minister Alexander Downer is in Thailand on the third leg of his trip, and here in Manila Tim Fischer is pushing the line very strongly that Australia is committed to engagement with Asia. The new government is still suffering from negative perceptions in Asia that there will be a downgrading of Australia's involvement. It's a perception that could cost Australia dearly in lost business opportunities, and it was a theme Tim Fischer was determined to touch on.

[Fischer] The coalition government has stated unequivocally that closer engagement with Asia is its highest foreign policy priority, and I want to reaffirm that now. It is our highest foreign policy priority. It is a priority

built over more than five decades of governments of all persuasions, as Australia has linked more and more and engaged more and more with Asia, and that means that there is a lasting consensus and stability about the commitment, but one which the new coalition government will add to. It's reflected in the fact that both Minister Downer and myself have made Asia our first port of call as we commence overseas activities associated with our portfolios.

[McGrath] Tim Fischer is no stranger to Asia, a point he was very keen to emphasize today.

[Fischer] It's also useful for you to know that it's not only my fourth visit to the Philippines, but some 19 visits I've made—or working visits to 19 different Asian countries even as far as Burma, Bangladesh, and Bhutan—everywhere but Sri Lanka. But I really don't have anything against Sri Lanka; I just haven't been able to fit it in over the years, but no doubt will.

[McGrath] Trade was the theme of the day. The Philippines' economy is growing at 6 percent, but it is the only country of the original ASEAN members that is yet to join the ranks of the Asian Tigers. Two-way trade is growing, and Mr. Fischer says more growth is possible.

[Fischer] But it is really only since the inauguration of the Ramos administration that our two governments and business communities have begun to bring ourselves up to date on what we can offer each other for the future.  
[end recording]

### Philippines: Australia's Fisher Assures Interest in Asia

BK2304111096 Manila BUSINESS WORLD  
in English 23 Apr 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Australian Deputy Prime Minister and Minister for Trade Tim Fischer has assured government officials and local businessmen that Canberra's interest in the Philippines and the rest of Asia will continue despite recent changes in the Australian Government.

Mr. Fischer is currently in town to thresh out bilateral issues on trade, economics and agricultural matters with top government officials.

"The coalition government has stated unequivocally that closer engagement with Asia is its highest foreign policy priority, and I want to reaffirm that now," he told Australian and Filipino business executives.

"It is a priority built over more than 50 years of Coalition and Labor Governments, and that means that

there is a lasting consensus that our partnership with Asian countries should deepen," he added. Mr. Fischer's Manila visit, which is part of an ASEAN swing, is his first under the new administration of John Howard, Australia's prime minister.

The Australian official, who arrived last Saturday for a four-day visit, called on President Ramos in Malacanang and held bilateral talks with Foreign Affairs Secretary Domingo Siazon, Trade Secretary Rizalino Navarro, Agriculture Secretary Salvador Escudero, and Economic Planning Secretary Cielito Habito.

Foreign affairs officials said Mr. Fischer's discussions with the president and the Cabinet officials focused primarily on bilateral concerns between them, such as the increasing trade imbalance between them which has favored Australia over the past several years.

Data from the Australian Trade Commission (Austrade) show that Canberra's export to the Philippines in the 1994-95 fiscal year reached A\$838 million (about US\$657.83 million). In 1994, Australian exports increased by 12.4% over the 1993 figure to A\$724 million (about US\$568.34 million), while the average growth rate between 1990 and 1994 hovered at around 11.7%.

**Philippines: Australian Official Says APEC Summit To Discuss WTO Issues**

*BK2404031296 Manila BUSINESS WORLD  
in English 24 Apr 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Australia will push for Asia Pacific Economic Cooperation (APEC) as a catalyst for the region to intensify liberalization under the World Trade Organization (WTO) during the Manila summit this November. Visiting Australian Deputy Prime Minister and Minister for Trade Tim Fischer said the summit will provide an opportunity to flesh out the Bogor Declaration and the Osaka Action Agenda and to launch APEC as a moving force within the WTO. "The Subic Bay APEC leaders meeting this November... will be an opportunity for APEC to act as a spur for liberalization in the WTO, and in particular for the ministerial meeting in Singapore the following month," Mr. Fischer said. "Over time, it would be useful to establish an APEC group in the WTO."

He said that while Australia will focus on succeeding APEC and WTO meetings "to consolidate and build on the Uruguay Round...it will be time to start thinking seriously and preparing for the next global round of negotiations," which will likely focus on liberalization of services.

**Philippines: Official Supports Japan's APEC 'Partners for Progress'**

*BK2404032396 Manila BUSINESS WORLD  
in English 24 Apr 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Japan will unveil the new concept for its Partners for Progress (PFP) project in the Asia Pacific Economic Cooperation (APEC) forum next month when the grouping's senior officials gather in Cebu to thresh out the economic agenda for the forthcoming ministerial and leaders' meeting this November.

Foreign Affairs Secretary Domingo Siazon said the Philippine government welcomes Japan's PFP project and is ready to hear officials from Tokyo explain the modalities and purpose of the project this May.

He said Japan's proposal will help APEC members, especially the developing economies, utilize the industrialized members' expertise in areas such as human resource development or other cost-effective technology appropriate to local conditions. "Some international agencies shared in certain expenses just as APEC can do so in future projects for items where benefits are broadly shared across all member economies," Mr. Siazon said.

The United States earlier expressed concern over Japan's PFP project, fearing it might transform the organization into a development assistance-type of grouping and digress from APEC's thrust of liberalizing trade and investment in the region.

A senior foreign affairs official told BUSINESS WORLD Tokyo's PFP project has been modified to address whatever concerns some APEC members might have on Japan's real objectives in launching the project.

The US and other industrialized members of APEC are concerned Japan might exert considerable influence in the regional grouping through the PFP project.

**Philippines: Ramos Welcomes Joint Marine Research Project With Vietnam**

*BK2404030396 Manila BUSINESS WORLD  
in English 24 Apr 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The Philippines and Vietnam opened a new phase in their diplomatic relations with a cooperative research project on the marine environment and resources in the South China Sea. President Ramos welcomed the undertaking between the two countries despite overlapping claims in the South China Sea. "I



welcome this marine research project both as a confidence building measure and as a beginning of strong linkages not only between our scientific communities but among the marine scientists in the region," Mr. Ramos said during the send-off of participants to the Philippines-Vietnam Joint Oceanographic and Marine Scientific Research in the South China Sea.

**Philippines: Manila Set To Face WTO Sanctions Over Exporters' Incentives**

*BK2404035096 Manila BUSINESS WORLD in English 24 Apr 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The government is ready to face possible sanctions from the World Trade Organizations (WTO) as well as the international business community over the grant of new tax incentives to the country's exporters.

In a briefing, Finance Undersecretary Romeo Bernardo said Manila is braced for adverse consequences which include trade penalties if not a large-scale boycott of Philippine products abroad.

But despite the Department of Finance's [DoF] misgivings over the new incentives, it is nonetheless set to give exporters these privileges as provided under the Export Development Act (EDA), he said.

Mr. Bernardo noted the DoF agrees to the grant of performance-based tax perks to exporters provided certain "conditions" or safeguards are met, including a high local value-added or high local content.

Also, this is notwithstanding possible trade sanctions which may be imposed by the WTO and its members, he added.

But despite acceding to the grant of new tax perks to exporters, he said the Finance department is not deviating from its original position these new incentives may court trouble from the WTO.

It may be noted the WTO prohibits the grant of government subsidies to freely exportable products traded between members. Since performance-based tax credits may be deemed "subsidies," the DoF said their grant risks WTO sanctions which may ultimately affect exporters and local manufacturers selling Philippine-made goods in the international market.

Possible sanctions include countervailing duties or high duties on products imported from the Philippines. This is seen to affect the price competitiveness of Philippine exports in the world market.

**Philippines: Ramos Assures APEC Summit Preparations 'Well Underway'**

*BK2404093696 Manila PNA in English 0353 GMT 24 Apr 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, April 23 (PNA) — President Ramos last night assured the representatives of Asia-Pacific Economic Cooperation (APEC) member economies that the preparations for the APEC ministerial meeting and the APEC economic leaders meeting are well underway and proceeding as scheduled.

In a meeting with the representatives of the APEC members in Malacanang (presidential palace), the president likewise expressed confidence that the quality of this year's meetings "will be at least equal to the excellent APEC meetings we have had in the past."

"Our confidence comes from the knowledge that the full machinery of the Philippine Government has been placed behind this effort and the full support of the concerned public, particularly our business sector, has been mobilized," the president pointed out.

The president sought the support and understanding of the APEC economies to provide further momentum to the APEC process.

This process, the president said, already has a clear vision, fixed ending dates for realizing the vision, and an action agenda for initiating implementation of the vision.

As chair of this year's APEC leaders meeting, the president said he intends to enhance the relevance of APEC to the business sector and vice versa, to dispel the notion that APEC is a talk shop just for governments.

"This is why I especially welcome the forthcoming organizational meetings of the APEC Business Advisory Council (ABAC)," the president said as he commended the efforts of Henry Esteban, chair of ABAC-Philippines, for getting the ABAC process off to a running start.

He also expressed delight that the APEC Foundation of the Philippines has agreed to work as ABAC's partner in this effort.

"This is also why I have proposed the convening of an APEC Business Forum (ABF), which is being organized by the APEC Foundation," the president said.

He said that the ABAC and the ABF are complementary processes whose common goal is increased business sector participation in APEC.

The president said the ABAC is policy oriented and a permanent institution by virtue of its creation by the APEC ministers, while the ABF is project oriented and an initiative of the chair to jump-start private sector participation.

Expressing confidence that the APEC representatives will be able to transmit to their respective capitals that the Philippines is on track in discharging its responsibilities as this year's APEC host, the president said there is one other message that he wants conveyed to their leaders. This message is: "In 1996, it is not only that APEC means business, it is also that the Philippines means business."

Foreign Affairs Secretary Domingo Siazon said the meeting was convened at the instance of the president as a manifestation of the importance he is attaching to APEC not only as this year's APEC chair, but also because APEC is one of the pillars upon which the regional policy of the Philippines rests.

Siazon pointed out that the meeting also served as a strong assurance to all that the president himself is on top of the preparations for APEC 1996.

**Philippines: Subic To Have 'Cyberspace Network' for APEC Summit**

BK2404100596 Manila PNA in English  
0352 GMT 24 Apr 96

[Received via Internet]

[FBIS Transcribed Text] Subic Bay Freeport, April 23 (PNA) — A technical services contract was signed last week between the Subic Bay Metropolitan Authority (SBMA) and Telos International Corporation (TIC), the international arm of a Virginia-based information technology (IT) company which includes the U.S. Federal Government and Military as among its clients.

This would start the project making SBMA the country's first community with a cyberspace network.

TIC would devise an integrated IT system initially covering SBMA's operations and the IT infrastructure demands of the November APEC Summit.

Dubbed as "Subic Cybercity", the project aims for the interconnection in five years of all freeport entities: SBMA, the locators, and the residents.

"'Subic Cybercity' will be the proving ground for the country and even the region to handle the new trade environment which no longer resides in the implements of production but in access to information," SBMA Chairman Richard J. Gordon said.

The center of the cybercity is the proposed integrator system to be installed under the two-year contract and which will enhance the project by first integrating the different functions within SBMA like telecommunications, information dissemination, urban planning, security, and logistics. Most of these are set to be installed by November.

The main component projects under it are an ID system for the freeport's residents, a merchandise control mechanism, an information/interaction mode among SBMA offices, and APEC high-end facilities.

A TIC official said, "We understand how to meet APEC's aggressive schedule because we are experienced in rapid reaction programs. SBMA and the Philippine Government can be assured of communication, security, and IT infrastructure customized to support the demands of this conference."

TIC technical experts will come up with the system's design and later its functioning version, complete with the hardware and software required.

SBMA is putting emphasis on the future-proof design of the system. "We want an integrator set-up which is technologically upgradable and scalable. The basic infrastructure should already be in place and should be responsive to change so that we can move on faster to development of the individual systems," an SBMA IT consultant said.

To some extent, TIC has the raw materials all ready to work with for the actual staging of the system's design. Last August, twelve IT industry leaders including Microsoft, AT&T, Compaq, and Alcatel drew up agreements with SBMA providing for technology information access and special purchasing arrangements.

Telos will orchestrate the participation in the cybercity project of these firms whose expertise range from telecommunications, hardware, software, and automated services. It will also transfer the integrator system technology to local personnel in SBMA and TIC's local sub-contractor, Philippine Systems Products, Inc. (PSPI) to assure its long-term implementation.

"By the end of the contract, we should have more Filipinos who can do integration-type jobs because another commitment Telos has is to train our people who can continue what they have started even outside Subic," the consultant added.

SBMA intends to pass on to the investors in Subic most of the burden for wiring the rest of the area to the 'information age' after the present integrator system sub-project has run its course. "The success of cybercity, also lies heavily on the private sector. It is

important for them to jump into the project because it will improve their business and it will be in keeping with Subic's thrust of trying to acquire more technology-rich investments," he stated.

### Thailand

#### Thailand: Letter to U.S. Details Position on Sea Turtle Law

BK2404041996 Bangkok Radio Thailand Network in Thai 0000 GMT 25 Apr 96

[FBIS Translated Text] In response to the United States' announcement that it would ban the imports of shrimp from countries whose methods of catching shrimp affect sea turtles, Deputy Commerce Minister Montri Danphaibun reported that he sent a letter to the U.S. deputy secretary of commerce explaining Thailand's position on the issue. The letter explains that Thailand's shrimp exports only account for 10 percent of total shrimp export. Thai shrimp fishing does not harm sea turtles. Thailand already has a policy that protects sea turtles. The letter also requests the United States postpone the enforcement date for this law.

[Begin Montri recording] We have requested the enforcement of this law be postponed, because we have not prepared for it. We have tried to make such a request once before. Today I sent a letter to the U.S. deputy secretary of commerce to reconfirm that we are willing to comply with its laws. As we are not yet prepared, we have requested the United States postpone the enforcement date of this law until we are ready. We suppose that will be a year from now. [end recording]

The announcement of the law is regarded as a sovereignty of the United States, which every country must follow. The United States has the legal power to do enforce this law.

#### Thailand: Burma Sets 34 Fishermen Free Under Amnesty

BK2004125796 Bangkok THE NATION in English 20 Apr 96 p A2

[Unattributed Report]

[FBIS Transcribed Text] Thirty-four Thai fishermen held for months in Burmese jails for fishing in disputed waters returned home yesterday under a special amnesty.

Two more groups are expected in the next few days. Rangoon agreed to release 100 Thais to mark the 50th anniversary of His Majesty the Kings accession to the throne.

The 34 fishermen were held up at immigration at Don Muang Airport for identity and health checks. They had no passports or other identity documents.

The 100 Thais were pardoned after Prime Minister Banhan Sinlapa-acha visited Burma in March. The pardons leave 90 Thais still in Burmese prisons, according to the Foreign Ministry.

#### Thailand: Eight Trawlers Released by Karen 'Pirates'

BK2404045796 Bangkok BANGKOK POST in English 24 Apr 96 p 6

[Unattributed Report]

[FBIS Transcribed Text] Karen pirates have released eight Thai trawlers and their crews after each owner paid a 1.5 million baht ransom, according to fisheries sources in Phuket.

The move follows a week of negotiations; 21 trawlers remain in the hands of the pirates in Burmese waters.

The Karens seized 30 Thai trawlers and 400 crew last week, sinking one of them. Five of the trawlers were from Phuket and 25 from Ranong. Each trawler is worth 10-15 million baht.

The pirates are thought to be members of the Arakan Army of the anti-Rangoon movement.

Phatchari Phanitchiwakun, owner of five of the trawlers all named P. Phanit, which have not yet been released said she did not tell the police for fear of putting the crews' lives at risk.

#### Thailand: Defense Minister's Actions on Military Satellite Noted

BK2204111496 Bangkok NAEON in Thai 22 Apr 96 pp 1, 8

[Unattributed report]

[FBIS Translated Text] A senior Defense Ministry source has acknowledged that the military satellite project has generated a lot of controversy. This is especially true regarding the rumored commission issue that has caused concern and conflict of ideas among members of the satellite project committee. When Defense Minister General Chawalit Yongchaiyut transferred Air Marshal Wira Kanhasiri from his position as director of the center of communications for national defense and secretary general of the military satellite project to an inactive post in the Supreme Command many military officers were unhappy. Wira was knowledgeable about the military satellite, and had studied it from the beginning.



The source said: "I feel that the defense minister wants to do things his own way and not necessarily conform to the way the military does things. He wants to award the concession to the private sector for a satellite that will operate on the C-, Ku-, and X-bands simultaneously in order to make use of its commercial potential. This way the interested firms in the private sector will approach the military, thereby encouraging public insinuation if no measures are taken to prevent it."

Gen. Chawalit had suggested that the transponders be increased from seven to 24 in order to accommodate all three bands, thereby allowing the private sector to bid for their use. The source said this would certainly encourage lobbying and money offers by the private sector and influence a concession. Gen. Chawalit has assigned Admiral Surawut Maharom, deputy defense permanent secretary, to brief the house military affairs commission on approval by the cabinet for the military satellite project.

**Thailand: Dual Use of Military Satellite May Lead to 'Scandals'**

BK2404045896 Bangkok BANGKOK POST  
in English 24 Apr 96 p 3

[Unattributed Report]

[FBIS Transcribed Text] Former defence permanent secretary Prasoet Sararit yesterday disagreed with the Defence Minister's idea to use the proposed military satellite for commercial as well as military purposes.

Gen Prasoet reasoned that using the satellite for other than military uses would inevitably involve the payment of commissions which would lead to scandals.

"The satellite should only operate on the X-band frequency used for military purposes," said the former chairman of the ministerial committee overseeing the project.

"If the satellite was to be operated on other frequencies it could be used for commercial purposes which would draw opposition from people whose interests may be affected by it," he said.

Gen Prasoet had asked that the implementation of the Defence Ministry-sponsored satellite project originally meant solely for military use be more transparent.

Its procurement should be conducted on a government-to-government basis to avoid any problems or allegations he said.

According to Gen Prasoet: "I made my stance clear when I was defence permanent secretary that I would not become involved in the project unless it was done on a government-to-government basis.

"I disagree with the idea of defence permanent secretaries dealing directly with companies that win concessions (from the Defence Ministry).

"I strongly oppose this and don't want to see it happen as it would lead to scandals. To allow a private company to get the concession would inevitably involve commissions and this worries me greatly," said the former permanent secretary.

He defended the armed forces need to procure the Star of Siam military satellite, saying it was necessary for national security and could also be used by other state agencies.

"We have to be more careful about the satellite project especially if the concession is granted to the private sector, because it involves huge benefits, said Gen Prasoet.

According to an initial study done by AM [Air Marshal] Wira Kanhasiri, former director of the Defence Technology and Telecommunications Centre, the system would be used purely for military purposes but have the capability to operate on both the X- band and KU-band.

A military source said during the past three years the Defence Ministry has been consulting with its counterpart in the United Kingdom to define its requirements for the Star of Siam project including its implementation worth around 28 billion baht.

Under an agreement reached with the United Kingdom's Ministry of Defence, British Aerospace Defence Ltd and Matra Marconi Space would assist the Defence Ministry in implementing the satellite project.

It was agreed that British Aerospace and Matra Marconi Space would be the principal suppliers of the satellite and ground equipment for the Star of Siam project.

Gen Prasoet said the assistance given by British Aerospace was useful for the armed forces as the United Kingdom has a great deal of experience in operating satellite communications systems.

He said he wanted to see an open bid take place for the 28- billion-baht satellite project, saying there would be no scandals if it was conducted transparently.

Gen Prasoet said it would be unsuitable for the Defence Ministry to grant the concession to private companies.

Defence Minister Chawalit Yongchaiyut, meanwhile said the military satellite project would be discussed on television channel 5 this Sunday.

Gen Chawalit who proposed the project be considered by the Cabinet two months ago, said it might take a lot more time before it could be raised at a meeting.

He said the satellite project was not considered during the last cabinet meeting because the executive body had more important things to deal with.

Gen Chawalit insisted the project's implementation was part of the Government's policy and was confident the state would finally approve it.

#### **Thailand: Prime Minister Briefs on Outcome of Brunei Visit**

*BK2404095996 Bangkok Radio Thailand Network in Thai 0000 GMT 24 Apr 96*

[FBIS Translated Text] Prime Minister Banhan Sinlapa-acha on 23 April gave a news conference on the results of his visit to Brunei to mass media representatives, who were also on the same trip to cover the event. Chintana Choichumphot, correspondent of the Public Relations Department, reports as follows:

[Begin recording] [Chintana] Prime Minister Banhan Sinlapa-acha gave a news briefing to Thai mass media representatives about his activities in Brunei. He said that during the audience with the King of Brunei, a discussion was held on promoting greater cooperation in economic development, especially in setting up an urea fertilizer plant. After returning to Thailand the prime minister will assign Deputy Prime Minister Amnuai Wirawan and Foreign Minister M.R. Kasemsamson Kasemsi to further discuss this issue. According to Brunei's seventh national socioeconomic development plan, infrastructure development will be accelerated. Therefore, Thai workers can make an important contribution to its national development. The Thai prime minister also discussed the ASEAN summit to be held in the later part of this year in Indonesia. He is of the view that Laos, Burma, and Cambodia should be invited to the meeting because the three countries will be ASEAN members in the near future. Moreover, he also answered questions from the press on the problem of wage payments for Thai workers abroad. Job placement agencies have often refused to pay workers the wages stated in the work contracts. The prime minister said such problems need to be tackled quickly by the Thai Government. Later this month, the prime minister will visit Malaysia and Singapore. During the period, Thai ambassadors to ASEAN countries and officials of the Ministry of Labor and Social Welfare will be invited to the meeting in Singapore to discuss ways to solve the various problems faced by Thai workers. [passage omitted] [end recording]

In the evening, the King of Brunei hosted a dinner in honor of Prime Minister Banhan and his delegation at the Nurul Iman Palace. At the banquet speech, the prime minister said the main aim of his visit is to

further strengthen relations and cooperation in every field. Thailand is especially interested in promoting with Brunei manufacturing to replace imports. At the same time, it welcomes investors from Brunei. Apart from this, the Thai Government is deeply grateful for the Brunei King's participation in the fifth ASEAN Summit and the Asia-Europe Meeting in Bangkok, both hosted by Thailand. The meetings were highly successful. The leaders of each ASEAN country shared the roles of enhancing the peace and stability of Southeast Asia and of paving the way for cooperation among countries in the region and between Asia and Europe. [passage omitted]

#### **Thailand: Government Stands By Petition Against Hungary**

*BK2404101496 Bangkok SIAM RAT in Thai 24 Apr 96 p 8*

[Unattributed Report]

[FBIS Translated Text] Talking to reporters after his meeting with Dr. Istvan Major, deputy industry and trade minister of the Republic of Hungary, Deputy Commerce Minister Phairoi Suwannachawi said that the two sides had discussed various important issues. Thailand, together with other countries, has signed a petition against Hungary's violation of Article 28 of the World Trade Organization [WTO] when it set up barriers to imports of Thai agricultural products.

Hungary asked for sympathy from Thailand over this issue. The Thai side replied that since it is the chairman of the WTO Committee on Agricultural Affairs, it has to uphold the regulations in order to be a good example for other member countries. As a result, Thailand will not withdraw its name from the petition. However, Thailand understands the difficulties faced by Hungary, whose currency has been devalued every month and whose inflation is as high as 28 percent. Thailand will consider the issue fairly in line with the WTO framework.

During the upcoming WTO ministerial meeting in Singapore in December, the member countries will discuss the issue of Hungary's imposition of the eight percent surcharge on Thai agricultural products. Combined with its 25 percent import tax, the total tax levied on Thai products is as high as 40 percent, which will make it very difficult for Thailand to send its products to Hungary. However, during the talks, the Hungarian side agreed to reduce its surcharge to six percent for Thai products and to try to lift the surcharge by the middle of next year.

**Thailand: Foreign Minister Supports Australia's Entry to ASEM Forum**

BK2104094096 Bangkok THAILAND TIMES in English 20 Apr 96 p A2

[Report by Saranyu Samakrathakit]

[FBIS Transcribed Text] Bangkok — Foreign Minister Kasemsamson Kasemsi will support Australia's bid to join the Asia-Europe Meeting [ASEM] forum in time for the second summit in London in 1998.

"We can support (Australia's intent to participate) as another has," the minister said yesterday.

Australian Foreign Minister Alexander Downer, on a tour of the Association of Southeast Asian Nations, will arrive in Thailand today to start a three-day visit, after a short stay in Singapore.

Downer has already received support for Australia's bid from Indonesian Foreign Minister Ali Alatas.

However, Malaysia has come out strongly against Australia's participation in the 1998 ASEM, saying Australia is neither Asian nor European. However, a source inside the Foreign Ministry said yesterday the ministry is confident pressure from Thailand and Indonesia will bring the Malaysians around.

Twenty-five countries were represented at the first ASEM in Bangkok in early March: 15 from the European Union, the seven ASEAN nations, China, Japan, and South Korea.

Widespread support was expressed during the ASEM in Bangkok to include India and Russia in the near future, as they are both substantial land masses in the regions covered by ASEM.

However, the leaders at that first meeting resolved that the first priority for ASEM was a deepening of economic, political and cultural ties between the original 25 nations, rather than opening the doors to other participants.

**Thailand: Brazilian Foreign Minister Visits; To Discuss Trade**

FY2404024596 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Apr 96 p A5

[FBIS Translated Text] Bangkok — Foreign Minister Luiz Felipe Lampreia began a four-day visit to Thailand on 20 April. He will meet Foreign Minister Kasemsi Kasemsamson and discuss trade between the two countries, which totals as much as \$660 million. On 24 April he will go to Singapore to preside over the meeting of Brazilian ambassadors stationed in Southeast Asian countries.

**Thailand: Vietnam Opens Consular Office in Khon Kaen Province**

BK2304034896 Bangkok THE NATION in English 23 Apr 96 p A3

[Unattributed Report]

[FBIS Transcribed Text] Thailand and Vietnam jointly opened the first Vietnamese Consular Office in Khon Kaen province yesterday to foster bilateral relations and facilitate communication between the two countries.

The opening ceremony of the office in the province's Muang district was presided over by Deputy Foreign Minister Charat Phuachuai and his Vietnamese counterpart Le Mai.

Charat said the office is significant for both Vietnam and Thailand as it would help strengthen mutual relations and cooperation in areas such as transportation, tourism and culture.

"Now that Vietnam has already become a member of the Asean grouping, this will contribute to easier communication and contact between both neighbouring countries," Charat said.

The Vietnamese consular general in Khon Kaen, Nguyen Van Mai, said at the same opening ceremony that the opening of the office had been actively supported by the Thai side.

"This is the success of Thai and Vietnamese leaders, which will be a sign of significant mutual ties.

"The office is the first Vietnamese consular office in the province and is the first foreign diplomatic representative here," he said. Laos plans a consular office in the same province.

**Thailand: ASEAN To Emphasize Not Linking Social Issues to Trade**

BK2404045996 Bangkok BANGKOK POST in English 24 Apr 96 p 1

[Report by Nutsara Thaithawat and Withamon Phongphairot]

[FBIS Transcribed Text] The Association of Southeast Asian Nations is preparing to take a tough stand against increasing attempts by certain developed countries to link social issues to trade, a senior labour official said yesterday.

Senior officials, meeting ahead of tomorrow and Friday's 11th ASEAN Labour Ministers' Meeting, have agreed to recommend to their ministers to demand that social issues related to labour be raised only at the 'relevant venue'.



They say that is at the International Labour Organisation [ILO] not at the World Trade Organisation [WTO].

The issues should be raised in a constructive way only, said Nithatsana Thirawit, deputy permanent secretary for labour and social welfare, after a half-day meeting yesterday.

The officials will also recommend to their ministers to take a tough stance at the forthcoming annual General Assembly of the ILO in Geneva in June.

"The speeches of all the ministers will strongly oppose the link between social issues and trade," she said.

Over recent years, certain developed countries such as the United States and others in Europe have stepped up their attempt to link so-called "social clauses" to trade. Developing countries say this is aimed at blocking their access to markets in developed

These clauses set standards on forced labour, child labour and weak safety standards at workplaces.

The issue has been raised at ILO and WTO meetings and even through the Internet, with developing countries being accused of poor labour standards.

"If developed countries are really sincere in promoting good labour principles they should help us, not attack us," said Ms Nithatsana.

She said action against developing countries will only affect their trade and development, aggravating social problems which the developed countries claim they want to help resolve.

"We want them to understand the difference between child labour and child exploitation," she said, referring to different age limits for work in different countries.

Speaking separately, Prasong Rananan, another deputy permanent secretary for labour and social welfare, said the issue is likely to be included in the joint statement to be issued at the end of the ministerial meeting.

It's not fair and it's useless. Developed countries are taking advantage of developing countries by using social issues as a trade barrier," he said.

Crescensiano Trajano, Philippine under-secretary for workers' welfare and protection, confirmed the issue has been included in the draft joint statement.

ASEAN is also preparing a package of follow-up measures in the event its demands are not listened to. Ms Nithatsana declined to reveal details.

The Thai delegation to the senior officials' meeting also proposed that a comparative study be carried out within ASEAN to see who ratified which of the ILO conventions and evaluate their implementation.

The study also seeks to understand the particular domestic factors as to why certain ASEAN members declined to ratify certain ILO conventions, she said.

Other issues on the agenda were a review of progress made since the 10th ministerial meeting in Singapore in 1994.

Four projects reviewed were promotion of self-employment and development in the informal sector, a training and information centre for improvement of working conditions and the environment, an ASEAN programme on industrial relations and an ASEAN regional project for human resources development planning.

Ms Nithatsana said the projects all demonstrate ASEAN is working on raising its labour standards, but that was commensurate with their economic development.

The officials also reviewed progress on the Technical Cooperation among Developing Countries project.

Vietnam is attending for the first time since being admitted as a full member last year.

#### **Thailand: ASEAN Telecommunications Firms Alliance To Improve Services**

BK2404052396 Bangkok BANGKOK POST  
in English 24 Apr 96 p 15

[Unattributed Report]

[FBIS Transcribed Text] ASEAN's major telecommunications carriers yesterday signed an agreement to form an alliance to promote the development of the region's fast-growing telecommunications sector.

The carriers announced that the collaborative effort would put the alliance on the global telecommunications map as a serious and committed player.

The document was signed in Kuching, Malaysia, by the official carriers of the five founding members of ASEAN — the Communications Authority of Thailand (CAT), the Philippine Long Distance Telephone Company (PLDT), PT Indosat (INDOSAT), Singapore Telecom (SingTel), and Telekom Malaysia Berhad.

CAT president Atsawin Saowarot said greater cooperation within the group would lead to more efficient telecom services in the region and would further the ASEAN aim of promoting greater unity and cooperation in the region's telecom industry.

Under the agreement, the five will establish Asean Telecom Holdings Sdn Bhd [private limited] (ATH), a legal corporate entity, with a headquarters in Kuala Lumpur.

Each of the five signatories will hold an equal share in ATH, which will have the task of formulating and implementing policies to boost the growth and development of the industry.

ATH's business and marketing arm, ACASIA Communications Sdn Bhd (ACASIA), will provide joint marketing services and look for business opportunities outside ASEAN.

ACASIA has been described as a one-stop-shopping facility that will provide customers with a single point of contact from which to make orders and installation and maintenance inquiries.

As well, ACASIA will be given the task of streamlining procedures so that business customers and multinational corporations in the region will be able to order bill and register complaints to one office.

Initially, ATH members will offer customers a broad range of intraregional corporate telecommunications services which carry the ACASIA brand name. Examples include intraregional private leased services, intraregional VSAT and facility management and telehousing.

The range of services will be expanded as customer needs change and the partners develop new products.

Although many of the partners are losing their monopolies by signing the agreement, they will remain as the major carriers in their respective countries.

### Vietnam

#### SRV: Former Commander in Vietnam War General Tran Van Tra Dies

BK2304112696 Hanoi VNA in English  
0749 GMT 23 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 23 — Senior Lieutenant General Tran Van Tra, former commander for the South Vietnam Liberation Army in the Vietnam War and former chairman of the military administrative committee for the Sai Gon-Gia Dinh region after liberation in 1975, died on April 20 at the age of 77.

General Tra, native of Tinh Long village, Son Tinh District in Quang Ngai Province on the central coast, was 19 when he joined the Communist Party of Indochina (now the Communist Party of Vietnam) in 1938. His imprisonment by the French several times made him a seasoned communist who was promoted to important positions of the then Viet-Minh Armed Forces in southern Vietnam battlefields during the nine years of the first Indochina war (1945-54).

After the war, he stayed in northern Vietnam and worked as deputy chief-of-staff of the Vietnam People's

Army, director of the military political school and judge of the military court.

As the Vietnam War escalated to the American phase he was dispatched to the southern front again in 1963 where he was promoted to the position of the commander for the southern Vietnam Liberation Army.

When the Paris Agreement on Vietnam was signed in January 1973, he acted as the head of the military delegation of the provisional revolutionary government of south Vietnam and two years later in 1975 he was appointed to the post of deputy commander of the Ho Chi Minh military campaign that finally destroyed the Saigon Army and liberated the whole of south Vietnam.

When the war finished, Mr. Tra was appointed to chairman of the Saigon Military Administrative Council before being promoted to the post of commander of the Seventh Military Zone.

His highest post came later in 1978 when he was promoted to the post of minister of national defence.

Four years later, he retired to live in Ho Chi Minh City.

His political life remained active when he became vice president of the Vietnam Veterans' Association (VVA) and president of the VVA chapter in Ho Chi Minh city in 1992.

Tra was promoted to the rank of lieutenant general in 1959 and senior lieutenant general in 1974.

His great contributions to the war effort earned him the Ho Chi Minh order (Vietnam's second highest distinction) not once but twice, and many other orders and medals.

He was also elected to become an alternative member of the Party Central Committee from 1960 to 1976, and a full member in the 1976- 80 period.

His homage-paying ceremonies are being held today both at the conference hall of the Seventh Military Zone in Ho Chi Minh city, and at the Vietnam Veterans' Association head office in Ha Noi beginning at 7:00 am.

His final resting place is at Ho Chi Minh city's cemetery.

#### SRV: Party Organization Congress Held in 4th Military Region

BK2204141596 Hanoi QUAN DOI NHAN DAN  
in Vietnamese 31 Mar 96 pp 1, 4

[Unattributed report: "4th Military Region Holds Party Organization Congress"]

[FBIS Translated Text] The sixth party organization congress of the 4th Military Region was held recently.

in President Ho Chi Minh's native town amid an atmosphere of democracy, unity, and firm integration of intelligence. Attending the congress were Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee and the Military Commission Standing Committee and deputy defense minister, and representatives of Army agencies of the Political General Department.

The congress contributed many profound ideas to draft documents of the eighth national party congress and the draft report of the party Central Committee Military Commission.

Developing the steadfast and invincible tradition of the liberation undertaking in the past and the experiences in nation building in recent years, the soldiers and people of the 4th Military Region have manifested their loyalty to our party and regime, gradually overcome all difficulties and ordeals, firmly maintained political stability, and developed the socioeconomic situation in line with the nation's general advancing pace. This achievement should be attributed first to the spirit of dynamism, active political vigilance, and effective leadership and guidance of the military region's party organization and echelons of party committees and the administration of the six provinces in the region. Carrying out its management function and duty in national defense during its past term, the region's party organization creatively applied the military policy in accordance with the party's new concept in building the three categories of troops and firmly establishing the people's national defense war plan at the grass-roots level in villages, wards, and agencies. Upholding the spirit of dynamism and creativity, armed units of the region have closely coordinated with various echelons of party committees, the administration, and the local people to resolve hundreds of issues. Many former "hot spots" have been neutralized and are now surging forward toward better prospects. Various defense areas have been firmly consolidated step by step. The armed forces have been strengthened and their combined qualities and combat strength have been enhanced, thus enabling them to protect the region firmly.

Debating orientations for leadership, the congress frankly pointed out the weak points and shortcomings in leadership during the past term and discussed the causes and measures to overcome these shortcomings promptly. The congress proposed various measures aimed at building the region's armed forces and effectively carrying out the national defense task. In building the regional defense system, it is necessary to attach importance to the grass-roots units at villages, wards, and hamlets. Building a firm combat position and enhancing the people's confidence are the decisive

factors in foiling the hostile forces' schemes of "peaceful evolution," rebellion, and overthrow. Because the region is still encountering numerous difficulties in the socioeconomic situation, the congress suggested that the armed forces should positively participate in economic building and helping localities resolve difficulties while carrying out training and national defense tasks. They should motivate the people to study the party's lines and policies and state laws and regulations while heightening vigilance against enemy schemes and tactics. Concerning the combination of the economic task with that of national defense and vice versa, many delegates at the congress held that proper attention was not being given to this task at certain times in some localities, thus efforts should be made to overcome this shortcoming promptly. It is necessary to ensure both economic and national defense interests when building economic projects and signing economic contracts.

Addressing the congress on behalf of the party Central Committee Military Commission and leadership of the National Defense Ministry, Senior Lt. Gen. Dao Dinh Luyen commended the party organization and armed forces of the 4th Military Region for their efforts to develop the glorious tradition satisfactorily in the revolutionary struggle to build and defend the fatherland and protect the party and socialism. The general stressed: Under all circumstances the party organization and armed forces of the 4th Military Region should always coordinate closely with echelons of party committees, the local administration, and people in the region to protect and maintain firmly the revolutionary achievements in the struggle to build and defend this heroic land.

#### **SRV: Central Committee Directs Party Report Discussion**

*BK2404104096 Hanoi NHAN DAN in Vietnamese 18 Apr 96 pp 1, 4*

[Guidelines issued by the Party Central Committee's Ideology and Culture Department on 12 April]

[FBIS Translated Text] In order to carry out effectively the decision of the Party Central Committee Secretariat to solicit suggestions from the people of all strata to the Draft Party Political Report that will be submitted to the Eighth National Party Congress, the Party Ideology and Culture Department issued on 12 April the following guidelines regarding the organization and summarization of people's opinions:

##### **1. Opinion Soliciting Organization:**

— At province and city level: Party committees at province or city level will organize conferences for in-



dividuals who are not party members, including those who represent the Vietnam Fatherland Front and political, social, intellectual, art, religious, minority ethnic people, and business organizations to get their contributions. (excluding people who have already attended discussion sessions held by party and fatherland front organization at various levels).

— At precinct and district level: Party committees are also to organize conferences composed of attendants similar to those previously mentioned.

At these conferences, the respective party committees will assign an official to introduce the Draft Party Political Report and highlight the important contents to help the discussion and suggestion processes.

Regarding the length of the conferences, in general they should be completed in one day. For big cities with large groups of attendants, their conferences can be extended to one and a half or two days, according to the decision of the respective party committees.

— In addition to the conferences, party organizations at all levels also need to encourage the people to contribute their opinions in the form of correspondence sent to party committees, propaganda and education sections, or the press in accordance with the circular dated 9 April 1996 of the Party Central Committee's Secretariat. Special attention should be paid to people with a better background and the ability to contribute their opinions.

— Party Propaganda and Education sections of provinces and cities have the responsibility to direct the mass media agencies to select opinions of the people that are constructive and of good quality for dissemination through newspapers and the radio. Special attention should be put to introducing opinions with practical values related to issues for which local party committees will need to mobilize people's contributions and suggestions (refer to the guidelines issued on 24 February by the Party Central Committee's Ideology and Culture Department).

## 2. Summarization of Suggestions:

— Party committees and Propaganda and Education sections at all levels, upon receipt of all the opinions and suggestions of individuals and organizations, will compile a report containing all the opinions and send it to the level directly above. For opinions that are considered important, original documents should be included with the reports.

— Party papers in provinces and cities, in addition to the duty to select and publish opinions with good contents, will also need to compile a recapitulative report of all

the people's opinions, and send the report to the Party Central Committee's Ideology and Culture Department.

For the convenience of the summarization, all party organizations are requested to present their recapitulative reports with the same layout and order of contents as the Draft Party Political Report, following the sample distributed by the Party Central Committee Office.

The deadline for submission of the recapitulative reports is 30 May 1996.

Party committees are urged to work out logical tasks, assignments and concrete plans so as to have a highly efficient implementation of the campaign to mobilize people's suggestions to the Draft Party Political Report.

## SRV: Ministry Takes Measures Against Beating of Workers

BK2404070196 Hanoi LAO DONG in Vietnamese  
31 Mar 96 p 1

[Report by Thanh Mai]

[FBIS Translated Text] The Ministry of Planning and Investment on 27 March sent an official note to the Ministry of Labor, War Invalids and Social Welfare, the Ministry of Interior, the Ministry of Foreign Affairs; and People's Committees of Hanoi, Haiphong, Ho Chi Minh City, Dong Nai, Song Be, Ba Ria-Vung Tau, Quang Nam-Danang Provinces, the Confederation of Vietnamese Workers, and the Supreme People's Organ of Control. The note reminded them of the brutality of some foreign specialists working in Vietnam who beat workers and violate their honor and dignity.

The Ministry of Planning and Investment has asked various ministries, functional agencies, and People's Committees of provinces and municipalities to take prompt action against these acts. Those who have committed these acts will be prosecuted if there is sufficient evidence. There must be constant supervision, inspections, checks. Various enterprises with foreign capital have been urged to abide by labor laws, and to sign and implement collective agreements with workers, and to pay wages according to the applicable regulations.

## SRV: Mistreatment of Workers at Joint Ventures Viewed

BK1904103396 Hanoi Voice of Vietnam Network  
in Vietnamese 1100 GMT 5 Apr 96

["Today's Issue" feature]

[FBIS Translated Text] The Ministry of Planning and Investment has licensed over 1,600 joint venture projects since 1988. Many have been put into operation

and employ more than 100,000 workers. Although there are advantages in terms of national economic development, some joint ventures and enterprises with 100 percent foreign-invested capital have unhealthy working relations between the Vietnamese workers and a number of individual foreign investors, enterprise directors, managers, and technicians.

There have been numerous cases of foreigners violating the dignity of Vietnamese workers by showing contempt, insulting or beating them, and treating them brutally, thus flouting Vietnamese labor law. This is why many labor strikes have erupted at various joint-venture enterprises. According to incomplete statistics, in 1995 there were more than 10 strikes staged by workers at various joint-venture enterprises and more than 200 cases of foreigners beating or mistreating Vietnamese workers. In the first three months of this year, seven cases of foreigners beating Vietnamese workers were reported, including certain cases in which the workers had to be sent for urgent medical treatment.

To eradicate this situation, it is necessary to launch a widespread propaganda drive to disseminate the labor regulations that have been passed by the National Assembly and come into force over the past two years, especially at various joint ventures and enterprises with 100 percent foreign-invested capital. The contents of the labor law have only been introduced at some 50 percent of joint ventures and enterprises with 100 percent foreign-invested capital. Just 25 percent of enterprise owners have signed collective labor agreements with their workers. One rapid change at present is that the Confederation of Vietnamese Workers and various localities are urgently enforcing the law on the organization of trade unions and other mass organizations at various joint ventures with foreigners. This is part of the effort to disseminate and enforce the labor law and the law on trade unions among the working people and among foreign owners and other foreign personnel working at joint ventures.

As for foreign enterprise owners found to have insulted their workers, the local administration and responsible organs must take steps to reprimand them sternly and force individuals that show no respect for their workers to apologize and pay compensation to the aggrieved parties. With regard to cases involving beating, laying off, or cutting the salary of workers against regulations, the responsible organs must resolutely bring the culprits before a court of law for harsh punishment such as revoking their investment licenses and deporting them from Vietnam.

The minister of labor, war invalids, and social welfare sent a note recently to various provinces and cities

throughout the nation requiring them to provide him with a roundup of cases of gross treatment of Vietnamese workers committed by foreigners since 1990.

Regarding projects still waiting to be licensed, the responsible state organs must devise strict regulations to force foreign investors to comply with our country's law. For our part, the administration at various levels and various sectors must select capable and qualified cadres to work in joint ventures with foreign countries. A number of cadres assigned to work at joint ventures or enterprises with 100 percent foreign-invested capital have turned their backs on their own compatriots — failing to protect the legitimate rights of Vietnamese workers — because they have been given high pay by their foreign bosses.

We must promptly improve the professional skills of workers and cultivate industrial age behavior at various joint ventures. Originally farmers, many people now working at joint ventures and foreign enterprises maintain free-wheeling and unscientific work habits. Improving the overall capabilities of workers is one of the many important tasks now being carried out by our party and state in the advance toward national industrialization and modernization.

#### **SRV: Ministry Establishes Communication Corporation**

*BK2104095096 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Apr 96*

[FBIS Translated Text] The Ministry of Communications and Transportation recently announced the establishment and official inauguration of the Mechanic Communication and Transportation General Corporation. This is the tenth general corporation established by the Ministry of Communications and Transportation in accordance with the government's Decree No. 90-CP, which stipulates the establishment of major enterprises under modern management mechanism.

The Mechanic Communication and Transportation General Corporation consists of 13 enterprises that are assigned with the tasks of designing and producing equipment, inland means of transport, and high quality steel products; and carrying out import, export, and trading transactions for technical equipment and supplies.

**SRV: Oil, Gas Chief Discusses 1996-97 Plan**

**BK2404104296** *Ho Chi Minh City THOI BAO KINH TE SAIGON in Vietnamese 21-27 Mar 96 pp 9, 35*

[Interview with Ho Si Thoang, director general of Vietnam Oil and Gas General Corporation or PetroVietnam, by Tan Duc; place and date not given]

[FBIS Translated Text] [Tan Duc] In 1995 Total announced their decision to withdraw from the Oil Refinery No. 1 project. They announced recently that they were ready to participate in the Oil Refinery No. 2 project. What comments do you have on this news?

[Ho Si Thoang] The decision by Total to withdraw from the Oil Refinery No. 1 project is their internal business. It was part of their business strategy and tactics. For a large project such as an oil refinery, and for a large company such as Total, any adjustment in strategic policy is quite understandable. In the field of international investment, such an event is not rare.

They recently announced their readiness to participate in Oil Refinery No. 2. We consider that a token of goodwill and we welcome it.

At present, the number of companies wanting to participate in Oil Refinery No. 2 is large; Total will be treated equally with other companies. We think that the news regarding Total coming back is normal. It simply means that Total does not want to leave Vietnam. And in fact Total is operating in Vietnam, primarily in oil prospecting. At present they have a block where oil and gas has been found. They are also a partner with the contractors for Dai Hung [Big Bear] oil field and a partner in a joint venture with us and Thailand to distribute gas, and there can be more projects in the future.

[Tan Duc] The Mitsui group recently announced that they would withdraw from the project to build the first liquefied gas plant in Vietnam. Could you please inform us if there is any company ready to fill Mitsui's place? And what is PetroVietnam's decision? Also, with the withdrawal of Mitsui, the prospective main financier of the project, will the project be slowed down?

[Ho Si Thoang] Again, Mitsui have their own reasons for the withdrawal from the project, just like Total from the oil refinery. We do not see that as an indication of deteriorating relations between the two sides.

PetroVietnam will have to go ahead with the project, with or without Mitsui. In fact, in the early stages of the project, we expected to join forces with Mitsui and British Gas in building the conduct pipe (which we are now using), the central compressor platform for the Bach Ho [White Tiger] oil field (at present we are hiring Samsung and Buoygues Offshore to build it, with costs

estimated at nearly \$125 million), and the liquefied gas plant and other inland facilities.

To date, only the last part of the project remains to be completed: the liquefied gas plant and other inland facilities for export services (storehouses and quays).

As Mitsui has left, we and British Gas are continuing our negotiations. Furthermore, many other companies have expressed their wish to cooperate with PetroVietnam in this project, so we are not at all concerned about lacking partners. The more important thing is that the project should be carried out within the time schedule.

Once again we would emphasize PetroVietnam's resolve in this matter and our confidence that we can fulfill the project as assigned by the government, including the completion of the gas conduct pipe system from the Bach Ho oil field to the liquefied gas plant and the distribution of dried gas to consumers in mid-1997.

[Tan Duc] It is known that PetroVietnam has completed the masterplan on fuel gas development and the plan is now being considered by the government. If possible could you please give some major features of the demands for gas investment and consumption described by the masterplan?

[Ho Si Thoang] The project concerning the fuel gas masterplan was not carried out by PetroVietnam but by a working team under the auspices of the Ministry of Planning and Investment. We are only members, though of course we are the major ones.

First, I need to stress that so far we have just begun to estimate Vietnam's gas potential. Normally it takes other countries several years, or even decades, to complete this estimation task. We have just discovered gas in Vietnam during the last couple of years. We believe that the gas reserves in Vietnam will be relatively large, at least they will be adequate to satisfy the demand of industrial development for the years to come, and for several decades into the 21st century.

Based on the existing figures, we are sure we have enough for the demand in the coming years, for example about 5-7 billion cubic meters each year. The main tasks of the plan are to estimate the prospects and consider the demands in the years to come, including the demand in production for electricity, fertilizer, and chemicals and the demand for fuel material in various industries.

In short, so far we can confirm that for domestic use only, from now until 2000, 2005, or even 2010, we can be completely assured that the supply of gases (natural and associated gases) will be adequate for our domestic industrial development targets.



We are in the process of preparing to put into service gas reserve No. 06 in South Con Son and to bring gas to land in 1998. It is important for us to start the project. Once we start operations, we will have the advantage of 350-km of conduct pipe bringing gas inland and to Bien Hoa and Ho Chi Minh City.

[Tan Duc] Lastly, could you please outline some of PetroVietnam's main projects in 1996, which is the first year your general corporation starts operations under the new finance regulation mechanism?

[Ho Si Thoang] In the 1996-2000 period PetroVietnam will continue its process of fine-tuning in terms of structure, functions, and activity content, including prospecting, exploitation, and transportation.

We are going to build Oil Refinery No. 1, so we will also need to build processing plants, petro-chemical plants, and other projects such as those concerned with the distribution and export of petrol products, crude oil export, and petrol-related services. In general, in the next five years PetroVietnam will strive to be present in all areas of the oil and gas industry and to become an oil and gas corporation of international caliber.

Regarding financial regulations, since late 1994 the government has had a temporary financial policy for PetroVietnam. That is a very open policy. In the near future, we will surely have a new and official policy based on the business law and the regulations for state general companies. In this area, we hope that the state will soon complete the legislation and regulations regarding the activities of major general companies, including our Vietnam Oil and Gas General Corporation, so that we can operate better. Of course, the main responsibility for developing and showing our capacity and self-reliance rests with ourselves. The state will provide its support for us in our development.

Other countries have many state-owned as well as share-holding oil and gas companies that function very efficiently, and we can benefit from learning from them.

**SRV: Public Health Minister, Delegation Visit PRC**

*BK2204030796 Hanoi VNA in English  
1518 GMT 21 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 21 — A delegation of public health led by Minister of Public Health Do Nguyen Phuong began an 8-day visit to China from April 15.

While there, the Vietnamese guests held talks with a Chinese public health delegation headed by Health Minister Mr. Chen Minzhang. Host and guest exchanged experience in public healthcare and protection, and

signed an agreement on public health between the countries.

Mr. Phuong and his entourage were received by Chinese State Councillor Peng Peiyun.

The Vietnamese guests made a tour of some hospitals, universities and other healthcare establishments in cities and provinces of China during the visit.

**SRV: Air Accord Signed With Cambodia**

*BK2104100096 Hanoi VNA in English  
0644 GMT 20 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 20 — Vietnam and Cambodia signed here yesterday an accord on air services that would form the legal basis for scheduled air flight services between the two countries.

Signatories were Nguyen Hong Nhi, head of the Civil Administration of Vietnam and his Cambodian counterpart Mr. Keo Sophat.

The air services agreement includes 20 articles and one annex covering the applicability of the Chicago Convention.

This agreement is a grant of rights, revocation or suspension of licence to operate principles governing operation of agreed services, tariffs, custom duties, operation of leased aircraft, recognition of certificates, aviation security and many other aspects of air services.

The annex to the agreement stipulates routes for designated air passages of Vietnam and Cambodia airlines operating the agreed services between the two countries.

**SRV: France Pledges Assistance With Francophone Summit**

*BK2304151596 Hanoi VNA in English  
1434 GMT 23 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 23rd— Vietnam will do its best for the success of the Seventh Francophone Summit, the first ever in Asia, wrote the note of exchange between Vietnam and France concerning the preparation for the conference.

The note also affirmed that the French Government pledged to actively assist Vietnam in experiences, technique and finance on all aspects of the preparations and organization of the summit, especially in the construction of the Hanoi International Conference Center where heads of state and delegates of many countries will be received as well as in the training of supporting staffs for the summit.

The note was signed yesterday by Vietnamese First Deputy Minister Tran Quang Co and French Secretary

of State in charge of the French Language Margie Sudre, concretising the cooperation between the two countries in preparations for and organization of the Seventh Francophone Summit which is scheduled to be held in Hanoi next year.

**SRV: Malaysia's Mahathir Hails Bilateral Relations**  
*BK2304124896 Ho Chi Minh City THOI BAO KINH TE SAIGON in Vietnamese 14-20 Mar 96 p 4*

[Report by Ngoc Tran on an "exclusive" interview with Malaysian Prime Minister Mahathir Mohamed in Ho Chi Minh City on 9 March]

[FBIS Translated Text] Malaysian Prime Minister Mahathir Mohamed said in an exclusive interview with THOI BAO KINH TE SAIGON in Ho Chi Minh City on 9 March that Vietnam and Malaysia are now enjoying a very fine relationship. He said that, in addition to the increasing exchange of visits by government officials, businessmen from the two countries have also broadened their cooperation. Moreover, Malaysian investment in Vietnam "is increasing." According to the Malaysian Government leader, SRV-Malaysian relations will continue to broaden in the future.

According to the Ministry of Planning and Investment, Malaysian enterprises have pledged to invest \$860 million in 44 projects as of the end of 1995, thus ranking Malaysia seventh among all countries and territories that have invested in Vietnam. Malaysian investment concentrates on the oil and natural gas sector, infrastructure development, food processing, and tourism and real estate, including the hotel industry.

In addition, two-way trade between Vietnam and Malaysia has also increased greatly. Trade turnover jumped from \$55 million in 1990 to nearly \$272 million in 1994 and \$350 million last year. It is hoped that two-way trade will continue to achieve new developments after this Vietnam visit by Mr. Mahathir.

When asked about the Malaysian Government's assistance to Malaysian businessmen in Vietnam, Mahathir said: "We can only open the door for them by maintaining good relations with Vietnam." For their part, they have to strive to do business on their own.

In his opinion, Vietnam is a very competitive market, and Malaysian businessmen are not accustomed to the Vietnamese practice, regulations, and laws. "I believe, however, that they will learn. They should invest here and become good businessmen," he added.

**SRV: Malaysia Repatriates 327 Refugees**

*BK2104102096 Hanoi VNA in English  
0630 GMT 21 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 20 — More than 300 Vietnamese refugees from Malaysian camps arrived at the Cat Lo port in the southern province of Ba Ria-Vung Tau early today in the first transfer from the Malaysian side to Vietnam.

Out of the 327 refugees returning home today, 217 are from Ho Chi Minh City and the rest from the southern provinces of Long An, Dong Nai, Tay Ninh and Song Be.

The second shipment is expected to arrive in Vung Tau on April 28.

**SRV: Commentary Views Return of Refugees From Malaysia**

*BK2304070396 Hanoi Voice of Vietnam in English  
1000 GMT 22 Apr 96*

[Station Commentary]

[FBIS Transcribed Text] More than 300 Vietnamese returnees from Malaysian camps arrived at Cat Lo Port in the southern province of Ba Ria-Vung Tau last weekend. Since 1989 about 20,000 Vietnamese returnees have returned home. Following is our radio comment on the issue.

The Governments of Vietnam and Malaysia recently agreed to arrange the repatriation of Vietnamese refugees from Malaysia. The return of 327 Vietnamese returnees last weekend was the first transfer from Malaysia to Vietnam. The second group is scheduled to arrive in Vung Tau on April 28. Like the repatriation program of Vietnamese returnees from other countries, this program is being conducted on the voluntary basis with order, prestige, and respect for human dignity. It is being funded internationally. Vietnam never accepts forced repatriation. Indonesia also planned to close down its refugee camps on June 30. All Vietnamese refugees in Indonesia may return home soon.

There are now 38,000 Vietnamese boat people still living in refugee camps in Hong Kong, Thailand, Malaysia, Indonesia, and the Philippines. The number of refugees in Hong Kong is 18,000. These refugees are not recognized by the host countries as legal refugees as they illegally fled the country, therefore the host countries want to send them home. However, the majority of the remaining refugees are willing to return to Vietnam.

To help these Vietnamese refugees, the United Nations High Commissioner for Refugees or UNHCR initiated

two programs for the repatriation of refugees from Hong Kong and other Southeast Asian nations and their reintegration into the Vietnamese community. The UNHCR has also invested in the construction of a number of infrastructure projects which include road system, schools, and hospitals with a view to create good conditions for the returnees.

For its part, the Vietnamese Government over the past years has taken a number of measures to help the returnees to reintegrate into the community. [Alexander Caseja], managing director in charge of the Asian region of the UNHCR highly valued Vietnam's efforts in assisting Vietnamese returnees. During his visit to Vietnam [Alexander Caseja] affirmed that the Vietnamese Government has spent a lot of time and energy in creating favorable conditions for the returnees. There is no threat or danger to the returnees.

In addition to the efforts of the Vietnamese Government, general economic development in the country also continues at favorable conditions for repatriation. Meanwhile, an international conference on Indochinese refugees released a statement acknowledging Vietnam's efforts from different levels in receiving the returnees and assisting them to resettle.

**SRV: Joint Research Team With Philippines Sent to Spratlys**

*BK2404103696 Hanoi Voice of Vietnam in English  
1000 GMT 24 Apr 96*

[FBIS Transcribed Text] The Philippines and Vietnam on Wednesday sent the first ever joint marine research team to the disputed Spratly Islands in the East Sea [South China Sea]. The 15 Filipino and 12 Vietnamese scientists are to undertake an inventory of marine organism during the 15-day trip aboard a Filipino Government boat. Members of the delegation called on President Fidel Ramos in Manila on the eve of the trip. The research is considered a first attempt toward a wide range multilateral cooperation in the region.

**SRV: Nguyen Khanh Welcomes ROK Telecommunications Delegation**

*BK1804100496 Hanoi VNA in English  
0718 GMT 18 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 18 — Deputy Prime Minister Nguyen Khanh has expressed his hope that telecommunications experts from Vietnam and South Korea to quickly come up with a concrete cooperation plan because Vietnam regards telecommunications as playing a key role in national development.

The deputy pm yesterday welcomed the visit to Vietnam of a Korean telecom delegation led by the president of

the Institute of Clearing Payment and Telecom Finance of the State Bank of South Korea, Shin Rok Young.

The delegation has been here to study Vietnam's telecom network.

**SRV: Vo Van Kiet Receives Thai Foreign Minister 16 Apr**

*BK2204160196 Hanoi Voice of Vietnam Network  
in Vietnamese 1430 GMT 16 Apr 96*

[FBIS Translated Text] Prime Minister Vo Van Kiet received Thai Foreign Minister Kasemsamson Kasemsi and his entourage, who are now on a visit to Vietnam, at the Government Office this morning [16 April]. Prime Minister Vo Van Kiet welcomed His Excellency the Thai foreign minister and his entourage to Vietnam, considering the visit to be a contribution to the further promotion of cooperative ties between Vietnam and Thailand.

The Vietnamese prime minister asked the Thai foreign minister on this occasion to convey his gratitude to the Thai prime minister, Government, and people for their wholehearted assistance and the warm reception accorded to the Vietnamese delegation during its participation in the recent conference of ASEAN government leaders and the ASEM summit meeting in Bangkok. He expressed satisfaction over the current fine development of bilateral cooperation and maintained that this was significant because it benefited not only the interests of each country but also exerted a positive impact on the cooperative ties among ASEAN member countries. He expressed his hope that, in addition to high-level delegations, the two countries would increase the number of visits by delegations of Vietnamese and Thai ministers, sectors, and business circles to promote multifaceted cooperation between the two countries.

He asked His Excellency the Thai foreign minister to convey to the Thai prime minister a Vietnamese Government-initiated proposal for a master development plan for the Mekong River area by Vietnam and Thailand. The plan would involve infrastructural building, communications and transport, farmland irrigation, and communication links among regional countries. Under the plan, Thai business people may also invest in a new industrial zone at Dung Quat, Quang Ngai Province; in Chan May Port; and in an industrial zone in Thua Thien-Hue Province. These new industrial zones offer many advantages, and development is expected to take place in the near future.

With regard to cooperation in deep-sea fishing activities and other issues related to international waters, the Vietnamese prime minister expressed his wish that the



two sides would hold talks and achieve positive results to secure order and exploit this area in an effective way.

His Excellency Kasemsamosan Kasemsi introduced to Prime Minister Vo Van Kiet the objective of his delegation's visit. In addition to promoting bilateral ties, the visit will also develop prospects for the Thai businessmen who have accompanied the Thai prime minister to look for investment opportunities in Vietnam. His Excellency the Thai foreign minister also touched on the content of views that his delegation had exchanged with Vietnam's Ministry of Planning and Investment to increase Thailand's investment in Vietnam.

#### **SRV: Consulate General Opens in Thailand**

BK2304112896 Hanoi VNA in English  
0702 GMT 23 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 23 — A Vietnamese Consulate General has officially opened in the northeastern province of Khon Kaen in Thailand.

Vietnamese Deputy Foreign Minister Le Mai and his Thai counterpart Charat Phuachuai attended the opening ceremony on behalf of the two governments. The Vietnamese Ambassador to Thailand Le Cong Phung and the deputy mayor of Khon Kaen Province were also present.

This is the first Vietnamese General Consulate in Thailand and also the first consulate from a foreign country to be built in Khon Kaen Province.

Speaking at the function, the Thai deputy foreign minister said that Thailand-Vietnam ties are now strengthened and closer, and the opening of Vietnamese Consulate in Khon Kaen is an important factor contributing to the development of friendship and cooperation between the two countries.

#### **SRV: Commentary Hails Opening of New Consulate in Thailand**

BK2304144296 Hanoi Voice of Vietnam in English  
1000 GMT 23 Apr 96

[Station commentary]

[FBIS Transcribed Text] The Vietnam Consulate General opened in Thailand's Khon Kaen Province on 22 April. The opening marks an important event in friendship and cooperative ties between Vietnam and Thailand.

Our editor reviews Vietnam-Thailand relations:

It is the first Vietnamese consulate general in Thailand and the first foreign consulate general to open in Khon Kaen Province. The inauguration ceremony was held

in the presence of Deputy Foreign Minister Le Mai, Thai Deputy Foreign Minister Charat Phuachuai, the Vietnamese ambassador to Thailand, and the governor of Khon Kaen Province.

The Thai deputy foreign minister, Charat Phuachuai, said the event was an important factor contributing to friendship and cooperative ties between the two countries — particularly in education, trade, tourism, transport, and culture — that create mutual understanding and promoting further investment. He said bilateral cooperation was being strengthened. Ties between the two countries have been constantly developing.

Vietnam and Thailand are neighboring countries with longstanding and traditional friendship established in diplomatic relations in 1976. Many bilateral agreements have been signed on trade, economic, scientific, and technological matters and also on services and aviation and an agreement on avoidance of double taxation. These agreements are good legal grounds for economic and trade cooperation between the two countries.

Two-way trade turnover has been increasing from \$115 million in 1992 to \$275 million in 1995. In investment, by early 1996, Thailand ranked twelfth in the list of foreign investors in Vietnam, with 58 invested projects capitalized at \$500 million. In coming years, Thailand plans to invest in other 15 projects in Vietnam with the capital of \$220 million. Some major Thai companies have been present in Vietnam, and so far seven Thai banks have representative offices in Vietnam.

The Vietnamese people express their sincere thanks to the Thai Government and people for their efforts to promote friendship and cooperative ties with Vietnam and their readiness to share experience in nation development. The opening of the Vietnamese Consulate General in Khon Kaen, Thailand will be an opportunity for further strengthening of Vietnam-Thai relations.

#### **SRV: Article Rejects Foreign Allegations of 'Xenophobia'**

BK1904100596 Hanoi Voice of Vietnam Network  
in Vietnamese 1430 GMT 17 Apr 96

[Article by Bui Dinh Nguyen from a "recent issue" of DAI DOAN KET: "Is Implementing Decree No. 87-CP an Act of Xenophobia?"]

[FBIS Translated Text] After three months of implementation in localities nationwide, and with the encouraging results revealed to the media recently by Deputy Prime Minister Nguyen Khanh, the campaign to erase harmful culture and social vices from the community and promote a lifestyle that is healthy, rich in traditional

national identity, and suitable to Vietnamese characteristics has received wide support from the whole community.

Hundreds of thousands of harmful music and video tapes and books that are full of poison have been confiscated and destroyed. Hundreds of gambling and prostitution dens have been discovered in restaurants, hotels, and dancing clubs. Tens of thousands of harmful cultural publications and reactionary documents have been halted on their way into the country.

In addition, scores of billboards and advertisements bearing only foreign wording have been removed. In Ho Chi Minh City alone, over 20,000 billboards and signboards belonging to domestic restaurants and shops that were written in foreign languages have been removed. This is an action to maintain national sovereignty, just as many other countries have done to preserve their own national languages. Nevertheless, a number of foreign radio stations have spread the argument that Decree No. 87-CP reflects a xenophobic policy. A foreign radio station declared on 3 March, for example, that many U.S. businessmen are still doubtful about the way the Vietnamese Government operates because its words and deeds never match. The station added: The Vietnamese authorities are taking advantage of the campaign to suppress social vices to wipe out or dismantle all advertising billboards with English on them. Others have taken the opportunity to paraphrase this argument enthusiastically.

Speaking to reporters on this matter, Deputy Prime Minister Nguyen Khanh confirmed: It is not right for foreign companies to feel dissatisfied with the rectification of signs that were not created in accordance with regulations. The handling of irregularities in foreign-language signboards constitutes neither banning the use of foreign languages nor xenophobia. The demolition of immoral and harmful video tapes, on the other hand, reflects our resolute attitude toward cultural products with harmful contents that go against the law. Our resolute attitude is correct. Should we collect these video tapes and put them in stores for later use? The destruction of these video tapes is necessary for the development of a healthy culture and in no way reflects xenophobia.

(Adrian Edward), a REUTER correspondent in Hanoi, raised this issue with General Secretary Do Muoi on 20 March and asked for his comments on a trend that has been dubbed by foreign media and business circles as Vietnamese xenophobia. General Secretary Do Muoi clearly asserted: Vietnam has been conducting an open-door policy toward the international community and will continue to follow this policy. Please say that we welcome them coming, conducting business,

and contributing to the development and construction of Vietnam. We hope that foreign news agencies will help the world understand that we want friendship, cooperation, and development. Please say that birds always choose good places to land; Vietnam is a good place for businessmen and the Vietnamese people are good friends.

Upon hearing General Secretary Do Muoi's statement to the media on this issue, Australia investor (Ross Barclay) said: This is a clear message that proves that all Vietnamese leaders, right to the top level, are unified in the open-door policy.

The broadcasters and radio stations around the world that seek to spread doubts about xenophobia in Vietnam should listen to this answer. They should look at the thousands of foreign investment partners who are participating in over 1,600 projects in Vietnam. Thousands of foreign organizations and representative offices have opened and thousands of foreigners are working in Vietnam under preferential conditions. Every year, hundreds of thousands of people come to Vietnam from about 100 countries in the spirit of friendship. Already, 14 branches of foreign law firms have received operating licenses issued by the Vietnamese Justice Ministry. Among them, four are from the United Kingdom, two from the United States, two from France, two from Australia, two from Singapore, and one from Hong Kong. In the capital city of Hanoi, there are 11 foreign law offices operating. Many decent films from many countries are shown regularly on television channels from the central to the local level. At exhibition centers, in newspapers and magazines, and on radio stations there are regular advertisements and reports on the activities of foreign companies and businesses operating in Vietnam.

Does all this show that Vietnam says one thing and does another? Does it reflect xenophobia?

#### **SRV: Local Nuclear Experts Leaving for More Lucrative Jobs**

*BK2304124496 Hanoi VIETNAM INVESTMENT REVIEW in English 8-14 Apr 96 p 8*

[Article by Le Minh Quan]

[FBIS Transcribed Text] Vietnam's plans to develop its own US\$3 billion nuclear power industry have stalled due to the loss some of its most talented and experienced experts.

More than 20 top scientists and engineers from the Dalat Nuclear Research Institute have departed in search of higher incomes elsewhere, according to Doctor Tran Ha Anh, director of the institute.

These people are among the country's most experienced, who have operated Vietnam's only nuclear reactor in Dalat established in 1960 with US scientists from General Electric. Among the departing experts are scientists who worked with the Americans to establish the facility as well as those who, with Russian scientists, restarted the reactor in 1977.

The threat to lose all the very best is already in sight unless the Government adopts proper macro policies to stem this brain-drain trend," Anh told VIETNAM INVESTMENT REVIEW.

"The better, more qualified experts are more tempted to go as it will be easier for them to find jobs," he said, adding that the average salary of his staff is around VND(dong) 500,000 (US\$47) a month.

Of the 20 experts that have left over the last two years, some have gone to Pakistan and to international agencies such as the International Atomic Energy. But many others were drawn to other jobs that are "of no relation to their background but bring about earnings eight to ten times their previous incomes," Anh said.

Their departure strikes a blow to Vietnam's ambitious plan to build a US\$3 billion nuclear plant as a cheap, alternative source of energy.

Last year, experts proposed the construction of the plant by 2010 to bolster Vietnam's economic growth. Current plans for hydro and thermal-power generators fall short

of anticipated demand which is estimated to reach 100 billion Kwh by 2010. Hydro-electricity contribution at that time will be limited to only 70 billion Kwh due to the fear of lack of water in reservoirs during the dry seasons.

The Government wants to fill the gap by developing cheaper nuclear power as a diversified energy source so as to conserve other forms such as gas, oil and coal for long-term use. Widespread concerns over public safety have caused delays in approvals from the Government, and the lack of skilled and experienced manpower to operate and manage such a facility have hampered long-term planning.

"Our institute now has around 130 experts and technicians on a national-scale. Vietnam has several hundred staff involved in this sector. This current force is by no means meeting requirements both in quality and quantity of a comprehensive nuclear power project," Anh said.

"It is very sad to see at this embryonic stage, key personnel leaving," he said.

Concerns over the plight of talented workers from State offices to better-paying jobs in the private sector have compelled the Government to launch new job training programmes and other incentives to keep their workers on board.



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